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CONTENTS

THEATER FORCES

FRANCE

Crotale Missile To Protect Military's Airfields
(Pierre Darcourt; LE FIGARO, 14-15 Feb 81) 1

FATAC Ammunition Storage Area at Allemant Described
(J.F. Poubelle; TAM, 12 Feb 81) 3

TERRORISM

FEDERAL REPUBLIC OF GERMANY

Ex-Terrorist Boock on RAF, Plans for Heidelberg
(DER SPIEGEL, 23 Feb 81) 5

General Conditions in the Group, Peter Juergen Boock Interview
Planned Action in Heidelberg, Peter Juergen Boock Interview

ENERGY ECONOMICS

FEDERAL REPUBLIC OF GERMANY

Legal Possibilities, Limitations To Coal Imports
(Helmut Uebbing; FRANKFURTER ALLGEMEINE, 18 Feb 81) 24

FINLAND

Energy Expert Urges Multi-Faceted Source Development
(HELSINGIN SANOMAT, 3 Feb 81) 27

Electricity Consumption Rose Five Percent in 1980
(HELSINGIN SANOMAT, 22 Jan 81) 29

Consumption of Oil Products Dropped in 1980 to 1975 Level
(HELSINGIN SANOMAT, 28 Jan 81) 31

Briefs
Deeper Coal Ship Harbor 34

TURKEY

Construction of Ataturk Dam To Begin in October
(TERCUMAN, 1 Feb 81) 35

Dincer-2 Slated To Start Production
(MILLI GAZETE, 22 Feb 81) 37

ECONOMIC

CYPRUS

Commercial Activity, Importance of Famagusta Noted
(HALKIN SESI, 21 Feb 81) 39

FRANCE

Economy-Defense Relationship Discussed in Detail
(Henri Tezenas du Montcel; DEFENSE NATIONALE,
Feb 81) 41

GREECE

Statistics Show Industrial Production Drop
(O OIKONOMIKOS TAKHYDROMOS, 29 Jan 81) 53

SPAIN

PCE Tamames Reacts to Calvo Sotelo's Economic Program
(Ramon Tamames; EL PAIS, 28 Feb 81) 60

SWEDEN

Datasaab Sells TERCAS Air Traffic Control System to USSR
(AVIATION INTERNATIONAL MAGAZINE, 1-15 Mar 81) 63

TURKEY

New Economic Arrangements With Libya Cited
(TERCUMAN, 12 Feb 81) 65

POLITICAL

INTERNATIONAL AFFAIRS

European Left Meets in Madrid To Exchange Ideas
(MUNDO OBRERO, 20-26 Feb 81) 67

Bipolarity Is Main Concern, by Manuel Torres
Interview With PCI Leader, Romano Ledda Interview

CANADA

PQ Cabinet Changes Said To Shift Center of Gravity
(Marc Laurendeau; LA PRESSE, 14 Feb 81) 72

DENMARK

Observer Sees Danish Crisis as Really an SDP Crisis
(BERLINSKE TIDENDE, 24 Jan 81) 75

Pro-PRC Party Prepares Platform for New Congress
(ARBEJDERAVISEN, 14-20 Jan 81) 78

Paper Comments on Glistrup Party's Surprising Poll Gain
(Editorial; BERLINGSKE TIDENDE, 1 Feb 81) 80

FRANCE

Rights League Campaigns Among Military
(LE MONDE, 19 Feb 81) 81

Briefs
Resolution 242 Outdated 82

NORWAY

Nordli To Be Vice-Chairman of Labor Storting Delegation
(AFTENPOSTEN, 4 Feb 81) 83

Brundtland Readies New Cabinet Appointments
(AFTENPOSTEN, 3 Feb 81) 84

Brundtland May Have Contest With Steen for Party Control
(Henrik von Bonsdorff; HUFVUDSTADSBLADET, 4 Feb 81) 88

Arne Brundtland, Foreign Policy Researcher, Premier's Spouse
(Liv Hegna; AFTENPOSTEN, 4 Feb 81) 91

Tom Vraalsen Named Foreign Ministry Political Chief
(AFTENPOSTEN, 20 Dec 80) 93

TURKEY

Turkish-French Relations Warm
(Goksin Sipahioglu; HURRIYET, 11 Feb 81) 94

Council of Europe Examines Turkish Membership
(CUMHURIYET, 27 Feb 81) 96

MILITARY

TURKEY

Latest Military-Industrial Projects Outlined
(Nilufer Yalcin; MILLYET, 4 Feb 81) 98

CROTALE MISSILE TO PROTECT MILITARY'S AIRFIELDS

Paris LE FIGARO in French 14-15 Feb 81 p 4

[Article by Pierre Darcourt]

[Text] The rapid evolution of the aerial threat, lessons learned from the Middle East conflicts, particularly the Yom Kippur war, the easy penetration of very low altitude strikes which provide attacking aircraft the advantage of tactical surprise, has led most Air Forces to strengthen the protection of their airfields.

A number of measures have been taken in France in the last 5 years and are now reaching completion:

--Reinforcement of the protection against hits by the construction of individual concrete shelters for combat planes.

--Camouflage of installations (planting trees, painting buildings and concrete runways).

--Deployment of new ground-to-air weapons: Crotale missiles and automatic anti-aircraft batteries.

The choice of the Crotale missile, built by Thomson-CSF in cooperation with Matra for the Air Force, fits exactly the requirements for the defense of bases, with reaction times getting shorter against enemy airplanes attacking at high speed and low altitude. The Crotale missile ranks currently among the best weapon systems in its category in the world. The results recorded during various tests performed in the United States have shown it to perform on a par with the "Rapier" and "Roland" and even to be superior in some cases.

The Crotale is the only all-weather ground-to-air weapon system capable of intercepting the most modern enemy fighter-bomber at altitudes between 50 and 3,000 meters and within a radius of 9 kilometers. It is also capable of detecting and hitting saturation strikes carried out from one or more directions by airplanes heavily equipped with electronic warfare devices. The version in service in the French Air Force uses a radar guidance system (electronic sweep watch radar with a 20 kilometer range linked to a target-tracking radar mounted on a launch vehicle). Installed on an all-terrain mobile carrier, it can also be transported by air in a Transall transport plane.

The basic autonomous unit is the firing section comprised of a motorized acquisition unit, three vehicle-mounted launch units carrying 12 missiles (4 per vehicle). The heavy automatization of the systems insures a very short reaction time: a missile can be launched 6 seconds after the detection of the first radar echo. The other missiles follow at the rate of one very 2 seconds. The hit rate varies between 80 and 96 percent.

About 10 foreign countries have placed orders for the Crotale in either its initial or modified version. The system performing the most is undoubtedly the one designed by the manufacturer for the Saudi Arabian Army, with the Riyadh government financing the improvements it wanted made to the original system. Nicknamed "Shahine" after a small sand snake capable of hiding very rapidly in a hole it digs, the Saudi Crotale is equipped with a new rocket whose range is 20 percent more then the French version. It is also capable of maneuvering under much heavier load factors (16G instead of 8G). It is therefore capable, if the conditions require, of multiplying its weight by 16 in a turn, which cannot be done by any jet fighter whose air cell would disintegrate.

The acquisition units also have a Doppler effect radar linked to an antenna with a larger diameter. This modification, which narrows the radar beam, allows a better target location and selection in the case of a raid carried out by enemy planes in close formation.

Finally, the "Shahine" is equipped with a television system for visual target acquisition and could be improved still more by a low light level camera for use at dusk or dawn. These improvements make tracking and neutralization of enemy planes possible even in conditions of radar jamming or blinding, an unlikely possibility but which cannot be systematically ignored in the European theater of operations.

PHOTO CAPTION: The Crotale Weapon System: Launch vehicle with its four missiles and radar acquisition vehicle.

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CSO: 3100

FATAC AMMUNITION STORAGE AREA AT ALLEMANT DESCRIBED

Paris TAM in French 12 Feb 81 p 35

[Article by Officer Candidate J.-F. Poubelle: "In FATAC's Caverns"]

[Excerpts] The operational capability of a major specialized air force command like the FATAC-1st RA [Tactical Air Force-1st Air Region] depends on the efficient operation of its support units and activities. In this respect, air force regional ammunition depots (DRMU) are one of the full-fledged elements of that widespread organization. A case in point is the DRMU at Allemant. This facility is attached to BA [Air Base] 112 at Reims and has a 6,000 ton storage capacity.

The 30-meter high Mondemont monument, erected to commemorate the Battle of the Marne, towers above the vast frost-covered Champagne plain. Not far from the monument, there is a group of khaki-colored buildings and a hill laid bare by denuded trees. This entire complex is fully enclosed and tightly guarded. After being checked through the guard post at the gate, we entered the DRMU 06651.

A Hill With 22 Bunkers

A road runs through the facility's 20 hectares. Some several hundred meters of this road have been cut through rock. On this section of road, 22 metal doors open into the hill at regular intervals. We went up the few steps leading to one of the doors and then entered into one of these vast bunkers excavated by shovel in 1938. Once inside, the full magic of the Champagne region's caves and caverns asserted itself: the strong odor of chalk, the characteristic mild temperature--maximum of 11 to 12°C--and lastly the charm of these large vaulted rooms hewn out of the rock to last forever, caverns in which ammunition handlers bustled about.

Fork lifts brought the bombs into the "sanctuary" where they were stored on pallets. The small team of ammunition handlers is well-organized and experienced. It worked smoothly and with careful exactness. Bombs and cases of ammunition had just arrived from Conantray, the French Army's SNCF [French National Railroad] terminal.

Safety First

In addition to its storage responsibilities, the depot also has to maintain this materiel that is so sensitive to temperature and time. Despite the dehumidifiers

installed in 10 bunkers and the excellence of these constant-temperature rooms, teams of ammunition handlers constantly relieve each other in cleaning primer cases and checking the condition of bomb casings. Too many rust spots? This means the entire lot will be sent to a facility in central France where each casing will be cleaned and repainted. In addition, there are routine and nonscheduled inspection of all materiel. These inspections not only help maintain surveillance of the materiel, they also reinforce safety measures taken to be fully cognizant of the status of the ammunition at all times. These measures have definitely been effective, inasmuch as no accident has occurred since the opening of the depot in 1947!

Last year, the depot's 80-man force handled some 2,500 tons in receiving, unloading, storing, and maintaining ammunition.

An operational evaluation alone--an exercise designed to determine the depot's effective capability to supply an air base--involves loading and delivering 500 tons to a Jaguar squadron in a minimum of time. The depot must be operationally ready round-the-clock 365 days per year. Its continuous support of five Jaguar squadrons--three in Saint Dizier, one in Bordeaux, and one in Nancy--is vital. In addition, the depot is assigned the task of maintaining and transporting contingency support stocks allocated to the Commanding General FATAC-1st RA and the air force chief of staff.

In 1979, this DRMU's 20 vehicles traveled the equivalent of our trips around the world in replenishing its stock and resupplying the different air bases.

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EX-TERRORIST BOOCK ON RAF, PLANS FOR HEIDELBERG

General Conditions in the Group

Hamburg DER SPIEGEL in German 23 Feb 81 pp 110-125

[Interview with former terrorist Peter Juergen Boock by Hans-Wolfgang Sternsdorff of DER SPIEGEL in Hamburg remand prison about his experience with the RAF [Red Army Faction]: "'In the Foxhole for the Wrong Cause'"]

[Excerpt] SPIEGEL: Do you expect some benefits for your trial from this SPIEGEL interview?

Boock: No, I don't think I can expect any by any means.

SPIEGEL: What are your expectations in connection with it?

Boock: In the past year I have experienced things for the first time that are utterly new to me. Perhaps others had experienced them before they joined the group. There are developments here in the Federal Republic which were set in motion for social reasons. They arose from the housing shortage, the occupation of premises, from deliberations dealing with the future of us all and of others--the movement against nuclear power, movements against rearmament. From my present point of view, these movements have a political relevance, containing the possibility of change--not superimposed, not purely intellectually based. There are possibilities included there which certainly are not contained in the way in which the group conducted its policies.

SPIEGEL: Did the RAF pass off as policy things that could have no effect at all on improving people's living conditions in this country?

Boock: One of the reasons why I wanted this interview with you here to take place is this: I want to try to see to it that the people in the group realize that if at this very moment they did something--in other words, staged an action, they would jeopardize and even destroy these very beginnings, that they have to realize this at every step they take and that no one will be able to say later that he didn't know.

SPIEGEL: Or could it be that within the RAF the aim is actually the very opposite, that the very purpose of RAF policy is to move the Federal Republic farther and farther away from a liberal constitutional state and in the direction of a police state, in order that then perhaps at some time or other a greater basis may be

created for taking up a united position against this state--artificially to bring about the kind of revolutionary situation that has never existed in the Federal Republic?

Boock: I can only speak for myself. As I realize now, I simply thought too little in the past about such important political issues and completely failed to reconcile contradictions.

SPIEGEL: But surely there were or are people in the group who can be assumed to have devoted some thought to this. Under conditions at least acceptable to the vast majority of people, there is presumably no readiness for a revolution. If there is repression and important freedoms are curtailed, the readiness to oppose this by force also increases. If then this group has already had the aim somehow to find a basis and did not want to remain only a small group of desperadoes, a fatal internal logic would have demanded to pursue developments in that direction. In fact we have had occasion to deplore a reduction in freedoms in Germany as a result of terrorism. Did the RAF want this to happen?

Boock: I don't know. A major part of their analyses and ideological deliberations occurred before 1975, you see. What happened after that was rather the logic of continuations, with hardly any real analysis taking place any more.

SPIEGEL: For lack of time or of force of ideas? Did policy cease to be a subject of conversation in the group?

Boock: It was so only one-sidedly. There are various levels at which discussion takes place. A large part of the group is simply excluded from certain deliberations; it gets certain information either not at all or only after the fact.

SPIEGEL: A large part--the majority?

Boock: Yes.

SPIEGEL: Who discusses the rest and in what kind of a circle?

Boock: I would call it the leading cadre or something like that. But is varies.

SPIEGEL: How strong is that leading cadre?

Boock: That I cannot say here.

SPIEGEL: What kind of people determine who may be present in the inner circle, is informed about everything and perhaps also may express a deviating opinion? And who becomes part of the second section, which apparently is considered more or less unreliable?

Boock: That I cannot say, because I might also endanger people by naming such reasons.

SPIEGEL: We accept that. But is there then in the RAF a division between reliable and unreliable persons?

Boock: Yes.

SPIEGEL: What actually is the reason why the RAF has not been issuing any political statements for years?

Boock: Because there have been a number of important political developments in the FRG on a fairly broad basis and the analyses of the RAF in no way could be reconciled with them any longer and cannot be reconciled with them now either.

SPIEGEL: Had one come onself to the conclusion that one could no longer get through to the base?

Boock: I think the group must confront this question--inevitably.

SPIEGEL: There is only one recent statement--the trial statement by Rolf Clemens Wagner in Winterthur.

Boock: I am not familiar with it.

SPIEGEL: Are you familiar with this--the 4-centimeter-high headline of BILD after your arrest? According to it, you are Germany's "No 1 terrorist."

Boock (putting his hand to his head, with embarrassed laughter): "Excuse me but...I didn't know."

SPIEGEL: As far as your comrades among the urban guerrillas are concerned, no matter what you say, you presumably will be the "No 1 traitor" when this SPIEGEL interview comes out. Will you be able to cope with that?

Boock: One is responsible for that--whether or not something happens. Descriptions by and side are not important. Besides, one thing leads to another, one way or another.

SPIEGEL: We know that you now do not want to say anything about any possible participation in actions by yourself or a possible participation by others in individual terrorist actions. But perhaps you can say something about your political assessment of the 1977 terrorist attacks--in other words, the cases of Buback, Ponto, Schleyer and the attempted rocket attack against the Office of the Federal Prosecutor in Karlsruhe. Was this at thtat time in line with your idea of armed politics, and did you think such attacks could improve conditions in the Federal Republic?

Boock: I really didn't quite believe it any longer. Nor am I sure whether in fact a majority in the group believed it.

SPIEGEL: Even if it was only a minority, somebody must have done it, mustn't he?

Boock: Doing it is another thing. What is enormously important is the pressure I already mentioned.

It leads to almost unimaginable things. Opportunism and fear. A fear, first of all, of what will happen to one if one opposes something, if one says aloud for example, "No, not that, for the following reasons." What kind of consequences that can have....

SPIEGEL: ...Do you think it is imaginable for someone to participate in such actions, to the point of becoming a murderer, although he actually does not support them--in other words, only because he thinks he has to adapt and because he is a victim of this group pressure?

Boock: Yes.

SPIEGEL: For someone even to be capable of committing such extreme crimes despite the fact that he himself does not support this at all, but for the pressure on him....

Boock: ...to leave him no alternative. Precisely. One can underline the last sentence.

SPIEGEL: But surely this means that there are people who say that this must be done--we order it to be done.

Boock: I was thinking of a special situation which does not even have anything to do with me. Therefore I said yes. As for the case of Schleyer, if I had had my way, he would still be alive. That I can say positively. I know the same is true of quite a number of other people, but I must add immediately that even after their arrest I don't know whether they would ever say so. This pressure which I keep mentioning--it doesn't disappear after it in any way. If anything, it increases.

SPIEGEL: Were you surprised that the federal government would not be blackmailed in the case of Schleyer?

Boock: For a start, quite generally speaking, I was surprised that the action took place at all. I though that actually it could not lead to anything. I found it wrong politically. On the one hand, one says, "No action against the people," and on the other hand such things happen....

SPIEGEL: ...like a planeload of vacationers from Mallorca being taken hostage.

Boock: Yes. I simply see a break, a political break with what had happened until then. The people who had previously had some political influence in the group--who were imprisoned in Stammheim at the time--in my opinion, could not have been in agreement with the whole way that action was conducted. I am fairly sure of that.

SPIEGEL: Why. After all, the action also had the aim of forcing the release of the very persons imprisoned in Stammheim.

Boock: I think for political reasons the people in Stammheim would not have agreed that this should happen at all cost. I think the priority--no actions directed against the people--was taken very seriously by those in Stammheim. They would not have put up with Buback's chauffeur and Schleyer's police escort being shot. First, because they would not have considered it right for political reasons and, secondly, because they would not have envisaged the implementation of such an action either. Not to speak of Mogadishu.

SPIEGEL: Because vacationers were the victims there?

Boock: Random people, yes.

SPIEGEL: But in the period before that--about 1972--there also were RAF actions in which innocent bystanders were harmed. For instance, here in Hamburg 34 workers were injured in the attack on the Springer publishing house.

Boock: There was a kind of self-criticism concerning this action in Hamburg, though. There was never any self-criticism after that, and this is typical of the political circumstances in any other action.

SPIEGEL: As far as you were able to make out, were there opportunities in the RAF after Mogadishu to exercise pressure concerning the taking of hostages and forcing the release of prisoners? Or did the group realize once and for all that nothing could be accomplished that way any more?

Boock: What individuals are theorizing or theorized.... Politically, I think that it is not the way. I find that way no longer to be correct from the basic political point of view.

SPIEGEL: You in any case belonged to the section of the unreliable at that time....

Boock: ...of the unpredictable. That is more to the point, because various causes and also various evaluations were playing a role. In my case there was yet another reason. I had taken hard drugs the whole time. I had found an external excuse for it.

SPIEGEL: Since when had you taken drugs?

Boock: Constantly. It had reached a high point in 1977. I had something like a suicide strategy. I have been involved in drugs since I was 15. In 1974 there was an increase.

SPIEGEL: What did you take? How much?

Boock: Everything. Heroin, Dolantin, morphine, cocaine. In 1977 I needed from four to eight ampules a day. Because of a medical matter, I had a certain excuse to get to these things. And therefore it was considered better for me to quit Europe.

SPIEGEL: When was that?

Boock: I am in a quandary. As long as they are objective things, things that can be established by investigation, it is one thing, but when it is a question of persons, for example, it's quite another thing. My attorney will request that certain things be checked that I can think can be checked, where I can rely on certain facts That is to say, that at the time when Schleyer was still alive, I was not in Europe any longer.

SPIEGEL: You had already gone? Where did you go from there?

Boock: I can tell you only approximately the period when I left Europe. That also has to do with my memory. I think it was 2 or 3 weeks after the start of the Schleyer kidnapping. I went from Brussels to Baghdad via an East bloc country. For 2 years I then spent no time in Europe--with one exception, something like a way station.

SPIEGEL: With what airline did you fly from Brussels?

Boock: If I still knew exactly, it could of course be checked right away. It really begins to be a problem for me to recall the details.

SPIEGEL: Do you still remember where the plane was flying to first? It could hardly have been a direct flight from Brussels to Baghdad.

Boock: It really could have been only three stopovers--Warsaw, Prague or Belgrade.

SPIEGEL: The point of departure, anyway, was Brussels. And it occurred 2 or 3 weeks after the Schleyer kidnapping. In other words, at a time when the pursuit was at its height, you were able to board a plane in Brussels. These are bad marks you are giving to Mr Herold.

Boock: Then from Baghdad--after Mogadishu and all--a fairly long time after that, I was in Europe once more, in Paris. Then from Paris to Belgrade. Again en route somewhere, but, thank God, there was an end to it then as far as I was concerned. Anyway, since my departure from Brussels there has been nothing in which I took part in any form.

SPIEGEL: In May 1978 you were arrested in Zagreb--together with Rolf Clemens Wagner, Sieglinde Hoffmann and Brigitte Mohnhaupt.

Boock: Yes, I was completely addicted to drugs then. But there is something that needs to be said about that too. I mean the drugs helped me a lot. If the Yugoslavs had said to the others, "That man has taken too many durgs in proportion to his illness," I would probably not be sitting here now, for they would have ditched me, without any way back.

SPIEGEL: What was the Yugoslavs' attitude?

Boock: I won't say. It also overlaps into areas that are now not necessarily important to me.

SPIEGEL: The Yugoslav gave you good medical treatment?

Boock: They did what they could. They saved me.

SPIEGEL: Did you take a withdrawal cure?

Boock: Inevitably.

SPIEGEL: Did you actually realize that at that time that the question of whether or not you would be extradited to the Federal Republic depended primarily on the attitude of the FRG government toward the turning over of the Croasts in exile demanded by Yugoslavia?

Boock: To be frank, for a start I was occupied more with beginning to think. The rest was not so essential to me. Besides, the whole circumstances rather were such that I had to prepare for some kind of thereafter. For instance, I also started thinking about how I could get out of the RAF.

SPIEGEL: Was it possible for you to figure that you would be able to leave Yugoslavia a free man again, or did your deportation come as a surprise for you?

Boock: I wouldn't like to answer this that way. It is a matter which also subjectively speaking I consider an important point. As I have said, I would not be sitting here now otherwise. Anyway it was not an immediate surprise.

SPIEGEL: When did you fly on from Belgrade?

Boock: In November 1978.

SPEIGEL: Where?

Boock: Via a stopover in Baghdad, to Yemen.

SPIEGEL: When did you arrive in Yemen?

Boock. Three days later.

SPIEGEL: How long did you stay there?

Boock: Until the end of 1979.

SPIEGEL: Were you in Aden or outside, in the camp?

Boock: There I have to have a certain consideration for the Palestinians again, who treated me very properly. Actually I can say the same thing about the Yugoslavs. The interests certainly were different, but I benefited in both cases.

SPIEGEL: In Aden you could have met a colleague of ours. At that time--in November 1978--DER SPIEGEL conducted an interview there with President Ali Nasir Muhammad. It began with the question, "We would like to know whether your country is sheltering the four presumed German terrorists released in Belgrade." The president replied: "You will be disappointed; the country is open to you, and you only need to say where you want to go in order to be able to establish that we are not sheltering any German terrorists here."

Boock: Possibly he really didn't know. I don't know what the man knew. The political power relationships are very changeable and unclear there.

SPIEGEL: Was Wadie Haddad still playing a role there? The official word is that he has been dead since March 1978, but there has also been some doubt about it.

Boock: He is dead. In Yemen I dealt the whole time with the question of which way I actually wanted to go. I also had enough time for that, only--similarly as now in prison--there was no one whom I could have talked with in detail or coordinated ideas with. I realized that only a certain "good behavior" would allow me ever to leave again.

SPIEGEL: Because one cannot depart from Yemen a free man for whatever destination one pleases?

Boock: That's right.

SPEIGEL: How did it happen that you flew away again?

Boock: There was a certain external reason which caused the group to resort to me again there. For a start, I behaved as if I agreed--simply in order to get away alive.

SPIEGEL: May we conclude from this that someone of the group came to Yemen to get you?

Boock: One may draw that conclusion. There was a situation with an awkward interrogation as to what kind of attitude I had, and whether I had an attitude, toward what, and what it was. I realized that if somehow the wrong kind of word was dropped in the wrong direction, it would all be over.

SPIEGEL: What do you mean?

Boock: You may take it literally.

SPIEGEL: It would have been "all over" there on the spot? Did they tell you so in so many words?

Boock: No, that is clear to me from the situation--or it was so. It was so objectively speaking. I know so more clearly now after the fact.

SPIEGEL: For a start there was a kind of opinion test, a sort of political check?

Boock: Yes. Realizing that it was my only chance, I adjusted by behavior. I spoke as I was expected to.

SPIEGEL: But you belonged to the section of the unpredictable; so the group really should have been glad that you were at the other end of the world and could not become a danger to it.

Boock: I think the external reason for coming back to me once more was that there had been a technical breakdown in the Haig action. One must add here right away of course that my role generally was such that it was very closely connected with all kinds of technical things. This also explains why there are so many fingerprints of me.

SPIEGEL: In June 1979 an assassination attempt was made near Mons, Belgium, against the then supreme commander of NATO and present U.S. Secretary of State Haig. Haig came off unscathed. An escort vehicle was damaged by the explosion, and two security officials were wounded. This, then, was an attempt by the RAF; in fact there also exists a letter by it acknowledging this. And because it had not come off as planned, they came to you and explained, "We cannot do without our specialist in certain technical matters?"

Boock: There were not many who knew anything, or had a general knowledge about, technical things.

SPIEGEL: Will you, can you, say something about whether in your time there were still contacts with terrorist groups abroad?

Boock: I don't know objectively, and if I knew I wouldn't say.

SPIEGEL: How many people in the group are still continuing out of conviction, and how many are doing so perhaps only out of despair, because they do not see a way out?

Boock: I think there are a number of people in the group who are in my situation.

SPIEGEL: A number?

Boock: A number. Now that is a very sensitive point. The more I say about it, the more I may get these people into situations which make this pressure even stronger.

SPIEGEL: Without crossing that threshold, how would you characterize the situation in general? Is there a preponderant feeling of downheartedness and of a failure of all political overtures, or is there still a feeling of strength based on presumed successes?

Boock: At least in the period from late November 1979 to January 1980, it was rather a case of a predominant general feeling of there being no way out or hope. Not openly, though. It only made itself felt in secondary arguments. It was just there. But this in turn entails a quite definite danger, which for me is also one of the reasons why I am talking to you here. In my opinion, through its behavior ranging from an attitude to a nonattitude, the left did not fail to participate in this whole increasing process of isolation with the group--which causes the exact opposite of any kind of ability to realize things clearly.

SPIEGEL: What in your opinion should be the attitude of the left toward terrorism?

Boock: It should again and again issue a call for accounting to oneself about the actual effect of certain things on the one side and the other. It should make it clear as far as substance is concerned that there exist here movements of social origin that can entail changes.

The only thing one can oppose to that is the other side--the position of the RAF--and everyone can draw his own conclusions from that.

SPIEGEL: You said there were some who would have preferred to quite or today would prefer to quit. After the bank robbery in Zurich in November 1979, Rolf Clemens Wagner, who was wanted as a terrorist, simply remained seated on the bench of a streetcar stop and let himself be arrested without offering any resistance at all. Was he unable to go on, or did he perhaps not want to go on?

Boock: I really would not like to comment on that. I will first have to get some things straight in my mind. It has to do with my situation in the group at that moment, when I had come back but really had more the status of a prisoner in the group than that of someone who was allowed somehow to partipate actively, be it in discussions or some other way. I was also kept away from all kinds of people. There was once a brief opportunity for me to confront Rolf. I gained a certain impression then. But what is clear--significant--is that he simply remained seated.

SPIEGEL: You lived as a prisoner in the final phase of your otvard membership in the RAF? Can you describe that in greater detail?

Boock: Let me put it this way: I flew off the handle once. At that point I voiced all the dammed up misgivings and said all kinds of things. And that immediately had its consequences.

SPIEGEL: What kind?

Boock: For example--something that never happens--my gun was taken away from me. But confronting me, there was always someone who had one. From that I concluded probably rightly that I now either have to exist or something else will happen to me. So I basically vaited for a certain situation, and then saw to it myself that it was possible for me to take off. That was in an apartment in Paris.

SPIEGEL: It was impossible for you to quit voluntarily?

Boock: It was; I was not allowed to do anything at all. I was not even allowed to leave a certain room when others were present, because they were not supposed to catch on that I was there in the first place.

SPIEGEL: Various people were watching you constantly--day and night?

Boock: Sometimes one, sometimes two.

SPIEGEL: So one had to do guard duty when you were asleep at night?

Boock: No, no; it is enough to know that one is lying between other people. In any case, it was not possible for me to quit without endangering myself. Besides I kept going over another question the whole time: what will happen to others if I do that now? In fact, that was a fantastic problem for me the whole time. There wer others in my category.

SPIEGEL: Who were also being detained in that apartment?

Boock: No.

SPIEGEL: But then surely those were not affected directly if you ran away from that apartment.

Boock: It is enough to be affected indirectly.

SPIEGEL: You were worried that others, if you quit....

Boock: ...I still do....

SPIEGEL: ...would get to feel the consequences in that their imprisonment possibly would become even stricter if they were in a similar situation.

Boock: I cannot say anything about whether that is now imprisonment or, for example, became such afterward. That would be speculation--and one can go crazy over that.

SPIEGEL: How long did you stay in the Paris apartment in that situation?

Boock: About 2 weeks.

SPIEGEL: Did you try to call the people that were with you in the apartment to account--to say, "What is going on here? I want to get some fresh air?"

Boock: No, I kept as quiet as possible, because things were dangerous enough and I did not want it to get worse. And then I kept thinking, "How can I get out of here?"

SPIEGEL: And how did you manage to do so?

Boock: Again by using one of my skills. It was between the middle and the end of January 1980. I executed a little sabotage. I saw to it that a gas boiler worked a little differently from the way it should. So the thing went puff. This meant that someone had to come to repair it. The boiler was in pretty foul shape.

SPIEGEL: Was it necessary to get a repairman?

Boock: Yes, and as a result there was a situation where I was facing only one person. Of course the guns could not lie around openly any longer, so the thing

was now in the bag. I got hold of them and jumped out of the window--mezzanine.

SPIEGEL: And now--Did you have any money?

Boock: As for money, I had made arrangement for that. I took a small amount along.

SPIEGEL: Now you were suddenly in a Paris street--alone. How did you know where to go?

Boock: What happened then was a pretty awful endurance run, where I thought first of all to get away as fast and far away as possible. There were not such awfully many possibilities for me. Because they too were able to follow up with a few. Which way to take, which way not to take? Pretty much of a chaos and mess. I acted more instinctively.

SPIEGEL: Anyway, no one ran or fired after you.

Boock: That would have been the end of the apartment, because the repairman was there. That made it precisely the most favorable situation.

SPIEGEL: The official reading of the group always was that the mutual relations of their members were marked by love and solidarity.

Boock: I cannot generalize and say that this was never so; nor cna I say that this was so completely. I felt it as a long process of erosion. I myself witnessed only few emotional relations. Personally, I had only one the whole time, which is important to me to this day--and that is not the one with Brigitte Mohnhaupt.

SPIEGEL: With whom you were once said to have had an affair.

Boock: All baloney.

SPIEGEL: She is considered to be an especially tough, dominating woman....

Boock: ...I would definitely not want to comment on that.

SPIEGEL: But, anyway, there was someone who at least was able to give you a little assistance or the feeling of being understood?

Boock: Where there was a beginning of openness, where it was possible to say certain things without immediately having to expect consequences for oneself.

SPIEGEL: And about that person you are primarily concerned today?

Boock: Yes. I don't want to say who it is.

SPIEGEL: So discussions did not play a part in the decisions of the group, and everything was done on the basis of orders and obedience?

Boock: The structure anyway was from the top downward--quite grossly so.

SPIEGEL: Listening to your descriptions, one has the feeling that those who often spread fear and terror apparently in part are victims themselves, living under fear and terror.

Boock: That is the way it is. The pressure is not gone when one has been arrested. Therefore it is a quite sensitive area to say something.

SPIEGEL: Only some few persons were knowledgeable about all important matters, planning and so on?

Boock: That's right. In part one had to draw one's own conclusions from the way certain matters were proceeding.

SPIEGEL: Did no one ever say, "What kind of an awful life is this; we constantly have to be on guard against being nabbed, and even in the shop we aren't told what is going on and are treated like slaves"? Or did the internal pressure have the result that there never were such eruptions in the first place?

Boock: I cannot say now how individuals react to such a thing. I can only speak for myself, and I have confirmed it, haven't I?

SPIEGEL: Was there a great fear of informers, of persons who might have been infiltrated?

Boock: No.

SPIEGEL: What was planned in case someone dropped out--simply left?

Boock: The only thing I can speak about now is direct conclusions from my jumping out of the window in Paris. One must realize what the effect will be. I don't want to ruin the possibilities of others.

SPIEGEL: What was the psychological effect of the external pressure of pursuit?

Boock: In my case very little penetrated through that wall of drugs.

SPIEGEL: But after your departure from Belgrade that business with the drugs was over, wasn't it?

Boock: Yes, But in Yemen I did not yet again have to cope with pursuit. Then, when I was back in Europe, I primarily wanted to find another opportunity to be able to cope with life again. In Germany I then realized: Some time the moment will arrive when you are caught, and if you use that as the only point of orientation, you will soon reach the end of the line again. I simply started to live a different kind of life. It isn't really possible for me to talk about my time after Paris, for that immediately has consequences for some people. As long as that is so, I cannot do it.

SPIEGEL: For some years, RAF prisoners have demanded being put together in sizable groups in a prison. What are the real reasons for this demand--the humanitarian aspect of a relaxation of isolation or the possibility of continuing the group pressure on the individual and controlling the deviationist? Is it a tool for

recruiting a new generation of terrorists, or is it finally also a question of creating more favorable prerequisites for possible liberation actions?

Boock: I would not like to comment at this time.

SPIEGEL: Because another hunger strike is going on?

Boock: I would like to say something about it, after all. The turnabout conclusion can be drawn from it by anyone. I think that there a few persons there who really have in mind the improvement of prison conditions. If I were now held to forth about it, I would be stabbing them in the back. And that would mean that I could go ahead and bury my political credibility. But now to the point! In Yemen, where someone came and got me, I caught on to the fact that there had been an action. There was some shooting near Dortmund, with Angelika Speitel being arrested and Michael Knoll killed. Probably for reasons of revenge, they prepared something somewhere--a tree. As if the same thing as had taken place at Dortmund had taken place before--target practice, in other words. Around that tree they probably then laid antipersonnel mines, which I assume are still there now (because I have not heard anywhere that they exploded, nor heard during my time in Paris that they had been removed).

SPIEGEL: Where?

Boock: As if I knew exactly! It would be a matter for the police to find the stuff. Or someone who knows more about it would announce something somehow. As I have heard, a newspaper or something like that was fastened on the tree. It was prepared a certain way, as a target or such--I have no idea. Then, following an anonyomous phone call, it was expected that the police would arrive to investigate.

SPIEGEL: ...and step on them....

Boock: ...That really shows again (well, I cannot see any kind of political effect or purpose)--just pure revenge. If it had come off, it would have been a devastating political statement about the group. I just don't know--finished.

SPIEGEL: And was that also in the Dortmund area?

Boock: I don't know. If I knew I would tell you. My attorney has already informed the investigating magistrate of the matter. It is very closely connected with the mood in the group as I felt it to be in the time after 1979. That tacit resignation and also, more or less consciously, the contradiction between political reality here among the left and the demands of the group. There is a big gap there. It was discussed in the group, and I got to know about it more or less.

SPIEGEL: The point here: "Final action."

Boock: In a very general way, because it is important in the political context, I want to say this here as well: If the persons harboring such thoughts go ahead and take a look at the situation in the FRG, they are simply bound to see the developments that have occurred in the past few years. Regardless of what kind

of step they take (of course, whatever has developed meanwhile can also be something else), they ought to consider in advance what kind of effect it will have on the political scene, including any attempts by other persons to start something from the base. I find that very important.

SPIEGEL: Because if something terrible happens, any reasonable policy of the left is ruined in the bargain?

Boock: Definitely.

SPIEGEL: In your view, what should the state do to build a passable bridge for those who want to get out of terrorism?

Boock: When I now say to the people, "Consider how you want to continue to live, consider what your share is in this," I can only in the same breath visualize my own conditions here. These are things that do not make the road easier for the people.

SPIEGEL: The federal government has made come-back offers only to those to whom it is possible to make concessions in court as far as the severity of a sentence is concerned. Minister of the Interior Baum has stated that all would have to go thorugh judicial proceedings. If someone is being sought for murder and sentenced, the law provides for no alternative to life imprisonment. If you tell them, "Come and be tried," they are merely given a choice between the devil and the deep blue sea, as it were. It is not necessary to find a way for quitting, and out of seeing oneself condemned to going on, particularly for those who perhaps constituted, or are still constituting, the greatest threat and now have nothing to hope for but perhaps want to quit?

Boock: I can only speak for myself. I think everyone wonders what he may want to do differently and what he will face then. I can see it in my own case. There are some points, charges, where it is possible concretely to come up with evidence to the contrary. And there are other points where I have to think about the extent to which I am allowed to involve third parties and what their attitude will be. But as to the murderers, what you have said--for them (if there were several who are wondering whether to dissociate themselves) it certainly would be important if there were a way, definitely.

SPIEGEL: Something imaginable would be a kind of amnesty from prosecution, the basic idea being that law and order in the country and the prevention of further acts of violence are more important than the seizure of criminals with methods of pursuit that in turn themselves stir up hatred and lead to new violence. This probably has been discussed in Italy. It would mean signaling to the terrorists, "If you stay abroad and plan or commit no further acts of violence, we will call off the pursuit internationally."

Boock: I can only say that I myself was able to clarify my situation only with the help of people for whom I could exchange myself--exchange myself only conditionally. For, not wanting to burden anyone with my complete history, I talked with the people on the basis of current difficulties. And that, anyway, I could do only here in Germany. I don't know where else I could have done so.

SPIEGEL: You have witnessed persons who help someone to turn his back on terrorism, and thus prevent him from actively continuing as a terrorist, becoming subject to prosecution. In your case two persons were arrested, were imprisoned for 3 weeks, and who knows what else is still going to happen--in their professional sphere as well.

Boock: I think that is the wrong decision. I find it an enormous burden to know that persons who are helping one to cope with oneself, with one's situation--that they should then be tried.

SPIEGEL: Do you consider it conceivable that the only reason why other terrorists do not dare quit is that they know that whoever helps them do so already has one foot in the clink?

Boock: They will all take a very careful look at what now happens here in my case. After all, this is the first time. It is therefore enormously important to see how this comes off. The more repressive the measures are here, the more improbable it will become for someone to take the same road as I did.

SPIEGEL: The judiciary should not involuntarily itself become the supporter of terrorist associations by preventing persons through the threat of punishment from helping terrorists to turn their backs on terrorism?

Boock: Anyone in my situation simply must have the opportunity to find himself--to find his way back to a political and moral reality in every respect.

SPIEGEL: Without incriminating anyone, can you tell us something about your life after you quit, about that 1 year in Hamburg? There is a photo showing you selling phonograph records at a flea market.

Boock: I have the feeling of now really having lived a year. That really means a lot. For me this includes the fact that there was happiness for the first time--without anything in between. Oh, everything, also despair, also critical situations. What simply is normal, what everyone feels--that I was able to do that for a year. This is really the only thing that keeps me going at the moment, the consciousness of that. The fact that there were people. I hope that this will continue and that this inner process too will not be interrupted by my not being left any kind of opportunities any more to continue to confront such people.

SPIEGEL: Had you then already before your arrest considered the question of whether you should talk with us and address the public? In his SPIEGEL interview in the fall, Hans-Joachim Klein--himself a onetime terrorist who had quit--recommended to you that you should address the public.

Boock: There were reasons for me not to take that step before and to do so now, and these do not have to do only with the fact that I was arrested. What I would have to say to Hans-Joachim Klein I could tell him only at an equal level and directly.

SPIEGEL: He wants to give others ready to quit courage to take that road, and prevent others from joining the underground in the first place.

Boock: In this point I agree with his view of course. Nor do I want to stab him in the back. In other points, it might be that we would have different views if there were an opportunity now for me to confront him directly. Whether that would then turn into criticism or whether we only experienced different things at different times, I could only clarify under different conditions and with him directly.

SPIEGEL: In that SPIEGEL interview, Klein said that in addition to you Susanne Albrecht had quit. Can you confirm this?

Boock (deliberates, hesitates a long time): ...I can see that you are asking this question for journalistic reasons. But put yourself now conversely in my position....

SPIEGEL: ...if we assume that she has quit and you confirm it, it really cannot do anyone any harm.

Boock: I don't mean it that way. And that would already have meant saying something. But I assess these things in a certain way. If I go on about it at length, I am afraid of consequences for Susanne.

SPIEGEL: Agreed. We are not an auxiliary organ of the investigating authorities. But if you could say that she is no longer running around with a gun and does not do any firing either, it can be of extraordinary importance for Susanne Albrecht, even save her life, if she gets into a situation such as you did when you were arrested.

Boock: Let us assume that I know concerning six people, of whatever identity, in the group that they are sure not to use any weapons any more (and I know so because at one time or another I somehow had the opportunity to thoroughly discuss or talk about this point with one person or another) and I now name them, can you imagine the consequences that would have for them? I cannot do that.

SPIEGEL: Consequences, of course, only for someone who is still in the sphere of influence of the group.

Boock: Whether someone managed to do the same thing as I did, I don't know.

SPIEGEL: Thank you for this interview, Mr. Boock.

Planned Action in Heidelberg

Hamburg DER SPIEGEL in German 23 Feb 81 pp 123-124

[Extract of interview with former terrorist Peter Juergen Boock by Hans-Wolfgang Sternsdorff of DER SPIEGEL dealing with the terrorist plan for a "final action" in Heidelberg: "'Ready for Suicide'"]

[Text] SPIEGEL: "Final action"—what is that all about?

Boock: There may be the prospect of an attack in Heidelberg Castle. A ball is held there every year, probably to introduce high U.S. personages. Organized by the Society for German-American Friendship or something like that. Present are the leaders of the U.S. Army in Germany and a lot of German personages of high rank. All of the people are to be taken hostage there, and then demands are to be made. If these are not met within a certain time, individuals are to be shot.

SPIEGEL: What is the meaning of the term "final action" in all this?

Boock: It has been figured into it that the entire command perishes in the process. For one did not assume from the start that a demand would be met. In the group there exists among many a wholesale feeling of isolation. That also was talked about. Some then said, "If nothing comes out of it at the moment, we will at least still have lighted some kind of beacon." Among parts of the group there exists a readiness for a suicide action in order to liquidate the group and achieve a new mobilization as a result. That was part of the discussion. An action of occupation works quite well there. There is only one access to the castle, and there are parts that are difficult to get too--the tower, for instance. In a closed area with two exists, it isn't hard to hold in check about 60 people with only 5 men.

SPIEGEL: How long? For several days?

Boock: They didn't give much thought to that beforehand. Obviously they cannot stay in the open area. There are some pretty inaccessible areas, such as the tower. There are two stairways there. If they are blown up, there is no access at all any longer.

SPIEGEL: When is it that the ball is held every year?

Boock: I recall that it was in the spring, anyway before summer, but I don't know exactly.

SPIEGEL: What is the date of your knowledge about these plans?

Boock: Late 1979. But so far there has never been any action that was not planned over a period of 9 to 18 months. They were almost always on the boiler that long. There was nothing that happened ad hoc. Late in 1979 the action at Heidelberg Castle was still concretely under discussion.

SPIEGEL: Was the planning geared concretely to 1981?

Boock: No. Planning is never geared to a year but to a possibility. This possibility exists only once a year, for the ball takes place only once a year. I don't know whether similar events take place at other places, so things may have changed. Some event or other may have caused a change in the concrete planning. Not the concept, though, I think. About that, enough items were found in that Heidelberg apartment (according to what I read in DER SPIEGEL in November) which show that this general strategy is being pursued. Everything found in Heidelberg--at least what pointed precisely to that Rhine-Main region--clearly indicates

that it is something like that. There are yet other events of this kind, so it may also have changed. But now the hunger strike basically has given it concrete form. I can see a connection between cause and effect.

SPIEGEL: How can terrorists gain access to this event? Do they know the circumstances? What are the security measures?

Boock: The last time--in other words, in 1978, the security measures were virtually nil. The Americans [?use the event as an opportunity to break through their isolation]. It is an event to which Germans are invited rather indiscriminately. The Americans are grateful if anyone comes, because basically the public does not pay much attention to it. I know that in 1978 two people from the group attended that ball. Present at the ball were the supreme commander of the U.S. Army and almost the entire staff. Both members of the group sat almost opposite them. By chance the seating arrangements were such that they sat at the same table, as it were. The woman from the group who was there was even asked to dance by a leading U.S. officer.

SPIEGEL: How had they managed to get invitations?

Boock: The two picked out some address from the telephone book and then went to that Committee for German-American Friendship and said, "We would like to go there and attend the event." There were still some misgivings before--suppose they call back on the phone and send out the tickets, what would have to be done then? So they said they would come back and pick up the tickets. So that was fairly simple. I don't know to what extent conditions have changed in the meantime. Maybe they will force their way in from the start somewhere, without any kind of invitation, without anything, without any preparations.

SPIEGEL: If the action lasts for sometime, are the hostages then also to be fed, for example?

Boock: Yes, that is a demand: "Put a couple of boxes with grub there" or something like that.

SPIEGEL: Can a few people hold so many people in check?

Boock: After all, this had already been done in the attack on OPEC in Vienna. It may of course also happen that a selection is made from the start, for instance if they have women or professors among the people. It may also happen that in the end only six people are held.

SPIEGEL: Is it, then, perhaps planned to blow up the castle?

Boock: Yes, that was discussed concretely as "final action."

SPEIGEL: How are the explosives to be brought in?

Boock: It is enough for two men to be inside and for the others to use force to enter. The two fellows inside can bound things off, that is enough--and then a larger number can come in from outside.

SPIEGEL: All this was reconnoitered beforehand in detail?

Boock: Of course. One can visit the castle by guided tour three times a day, you know. I would like such an action to be prevented.

LEGAL POSSIBILITIES, LIMITATIONS TO COAL IMPORTS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 18 Feb 81 p 13

[Article by Helmut Uebbing, Duesseldorf: "Coal Import--Desires and Reality; Consumption Grows Slowly"]

[Text] Many a commentary by politicians or leaders of enterprises gives the impression that German industry could rapidly convert its energy consumption from oil to coal, but that, as before, its access to the world market, that is, the import of hard coal, is barred. Both statements are incorrect in this simple formulation. Industry cannot always change its energy consumption from oil or gas to coal so rapidly. The speed and extent of conversion depend on differences in technology. Thus, provided that no difficulties are put in its path by administrative authority, a cement factory can convert to hard coal within a few months; this has already been done for a large part of this branch of industry. However, a central power plant cannot be changed over, if only because of the design of its buildings. New building construction is required, and this take 5-6 years.

The statement that import of hard coal is still barred today is equally incorrect. Since the beginning of the year, a law has been in force which makes future imports of hard coal from foreign countries possible in quantities which today are almost unimaginable.

The customs quota law in its new 1980 form opens the FRG's energy market up to a considerable extent for import of coal from foreign countries. Until now, approximately 6 million metric tons of hard coal a year have been imported. The new customs quota law, however, permits up to the year 1995--purely on a calculation basis--an increase in hard coal imports from foreign countries up to 55 million metric tons a year.

The leaders of the German hard coal mining industry have repeatedly declared, even in recent years, that they cannot achieve to the full extent the conversion desired by the Federal Government from oil to coal from German mines. They have acquiesced in the necessity to import more coal than before. Naturally, they have never lost sight of one point: imported coal is to replace oil or gas, but in no case German hard coal. This danger is not to be excluded outright because in many large foreign hard coal mining areas geological conditions are simpler and wages are far lower than they are in the FRG. The increasing demand for hard coal throughout the world

will, according to all expectations, tend to narrow the price range in the long run, in spite of such cost differences. However, for the present German miners are justifiably afraid that completely free coal imports could displace German coal from the market.

Consequently, anyone who wants to import foreign coal in the future must first go back to German coal, or he must prove that he is not replacing German coal with foreign coal, but that the imported coal is taking the place of oil or gas. The traditional importers will, from 1981 on, have a fixed annual basic quota of 5.1 million metric tons. In addition, a further 2 million metric tons can be allotted as a "contingent amount" intended for "securing the fulfillment of particular supply tasks and other national requirements" (whatever this may be). A special settlement for the current year provides 1.1 million metric tons as an "oil displacement amount."

So far, we are on familiar ground. However, what is one to think of an annual import quantity of 5 million tons for coal gasification and liquefaction which is planned up to 1995? The same federal government which so generously opened the import valve for coal gasification and liquefaction is in these weeks throttling the flow of public subsidies for the development of gasification and liquefaction plants. Thus, these 5 million metric tons per year are paper tons for years ahead. The same holds true for 3 million metric tons a year intended for the steel industry. Up to now the German steel industry has not been able to import a single ton, and the 3 million metric tons will only become ripe for decision when the contract between the steel plants and Ruhrkohle AG, which runs to 1988, is revised. Therefore, here is a further "paper" hard coal import of 3 million metric tons a year.

The planned import possibilities in two other areas may become of interest: On the one hand, in the electrical industry; on the other, in the thermal market. Power station operators have agreed to burn increasing quantities of German hard coal up to 1995. The first contract form planned the annual use of 33 million metric tons of hard coal; in the new form, the annual quantities consumed are to rise to 47 million metric tons. The customs quota law now allows electric plants to import, up to 1987, half a ton of hard coal for every ton of German hard coal which is used additionally within the scope of the enlarged contract with the mining industry. From 1988 on, they may even import one ton per ton of additional consumption. Herewith, upper limits are set: From 1981 to 1985 the limit for the import of power station coal is 4 million metric tons a year (the years can be averaged), from 1986 to 1990 it is 8 million metric tons a year, and from 1991 to 1995 even 12 million metric tons a year.

The same import quantities are provided in such 5-year blocks for the thermal market. The customs quota ticket which allows imports to be made is given to an applicant either when he replaces heating oil or natural gas with coal in existing plants or when he builds new plants which reduce the consumption of oil or gas. The basic idea of this regulation is evident: The German hard coal mining industry will have its hands full trying to cover the increasing demand. In the case of the general thermal market, whether for cement plants, glass plants, chemical enterprises, plant nurseries, or a thousand other areas including home heating, the requirement that the consumer must first prove that he is using German coal can be waived.

The individual customs quota can even, through federal government decree, be increased in case of necessity by up to 20 percent and--with the agreement of the Bundestag--by a further 30 percent. Thus, if all imaginable possibilities are added up, including the quota increases, one arrives at the astonishing import quantities of a good 31 million metric tons in the 5-year period now beginning, 43 million metric tons in the period from 1986 to 1990, and 55.1 million metric tons in the 5-year period from 1991 to 1995

In fact, then, no once can complain that there will be insufficient opportunities for coal imports in the future. However, the hard coal which will actually be imported from foreign countries in the next few years will be but a very small part of what the law allows. This is because the consumption capacities for hard coal simply grow too slowly. In many cases this is surprising because heavy heating oil today is already more expensive than hard coal and because here and there a rapid and not so expensive conversion is possible. In still more cases, however, the technical and ecological obstacles are too great to make a policy based on the motto "Away from Oil" economical.

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CSO: 3103

ENERGY EXPERT URGES MULTI-FACETED SOURCE DEVELOPMENT

Helsinki HELSINGIN SANOMAT in Finnish 3 Feb 81 p 26

[Text] The decision to be made late in 1982 over building a giant power plant in Finland does not necessitate an either/or solution in favor of any one form of energy. It appears that we have to continue to develop different forms of energy side by side even in the future.

This is how the coming major energy solution is viewed by Kalevi Numminen, M. Sc. (Eng.) who on Monday was appointed as the new managing director and chairman of the board at Imatran Voima [IVO].

Numminen will take over his responsibilities during 1982 when the present managing director, Pentti Alajoki, will retire.

Comparative Studies Still in Early Stages

Numinnen thinks that it is quite difficult to try to predict what the decision will be 2 years from now, "because comparative studies on peat and coal as well as much-talked-about nuclear power are still in the early stages."

IVO's new managing director has been publicly branded as a staunch supporter of nuclear power. Numminen believes he acquired this reputation when he worked from 1970 to 1976 as the project chief of Loviisa 1. "I often had to answer questions then that had to do with nuclear power."

Reputation Unwarranted

Numminen considers his reputation as a nuclear power supporter to be somewhat exaggerated. "I have, after all, worked intensively in the coal power sector in my early years at IVO and later in the general management as a board member after my stint as the project chief."

"As different energy alternatives are being considered, I certainly will try to be as objective as possible," he says.

Satisfactory Results at IVO

Numminen characterizes the economic outcome of the past year at Imatran Voima as satisfactory.

In spite of this modest evaluation, Numminen boasts that the company is now in better shape financially than it has been for years.

"We still claim much greater depreciation than the ones last year, which were essentially book-keeping depreciations." The company's closing of books for last year will show about Fmk700-800 million reduction of loans, Numminen says.

One of Numminen's numerous positions of trust is the chairmanship since last year of the World Energy Commission's Finnish group. In addition to his regular position, Numminen has earlier worked for instance as an assistant teacher and interim Professor of Power Plant Studies at the Institute of Technology.

9571
CSO: 3107

ELECTRICITY CONSUMPTION ROSE FIVE PERCENT IN 1980

Helsinki HELSINGIN SANOMAT in Finnish 22 Jan 81 p 26

[Text] The total consumption of electricity in Finland rose last year to 40 billion kilowatt hours, which is 2 billion kilowatt hours, i.e., 5 percent, higher than the previous year. Production remained 3 percent lower than consumption, and the difference was covered by importing from the Soviet Union. This emerges from interim statistics recently prepared by the Finnish Association of Electric Power Plants.

Electricity comprised one-third of the total energy consumption in Finland. By the end of the century it is expected to have risen to 50 percent, which means less dependency on the ever more expensive oil.

Electricity consumption has increased by almost 5 billion kilowatt hours in 2 years. This is more than a year's production from one nuclear power unit at Olkiluoto. Consumption of electricity has nearly doubled in 10 years.

Nuclear power plants' share of last year's electricity consumption was 17 percent. Slightly under 7 billion kilowatt hours of nuclear power was produced. In spite of the protracted yearly maintenance break at Loviisa 1, the production of nuclear power went up. The 2 units at Olkiluoto are now operating, and also Loviisa 2 will soon be working at full capacity in spite of the difficulties that appeared early this year. All in all, the share of nuclear power is expected to go up this year to about 30 percent.

Over 6 Percent Less Hydraulic Power

The hydraulic power plants produced 10 billion kilowatt hours, i.e., over 6 percent less electricity than in 1979. In a good hydraulic power year, the production is as high as 12 billion kilowatt hours. Early in 1980, the water situation was fairly good, but in the summer and early fall there was only a small amount of rain. In spite of a relatively rainy late fall, the hydraulic power plants' production remained even in the last part of the year at about 25 percent lower than in the previous year.

Hydraulic electricity's portion of the total consumption fell to one quarter. In 1979 its portion was 28 percent. The portion of condensation power produced mainly with coal was over a quarter, and the volume 11 billion kilowatt hours; the portion of counter-pressure power was about the same.

Prices to Rise

Import of electricity increased by over 6 percent, and export decreased by over 25 percent. Over two-thirds of imported electricity was bought from the Soviet Union; the plans are to bring 4 billion kilowatt hours a year from there during the 1980's. Contracted imports from Sweden discontinued last year. In future, exchange of electricity with Norway and Sweden will be in the form of shared use based on economic considerations.

Industry's share of the total consumption remained at about two-thirds. Households consumed less than one-fifth of the total, and services, public consumption and farming accounted for the rest.

The price of electricity went up twice last year, altogether 13 percent. An increase of 3 pennies per kilowatt hour is due soon.

9571
CSO: 3107

CONSUMPTION OF OIL PRODUCTS DROPPED IN 1980 TO 1975 LEVEL

Helsinki HELSINGIN SANOMAT in Finnish 28 Jan 81 p 25

Consumption of oil products last year three percent (about 350,000 tons) smaller than the previous year, announces the Central Union of the Oil Sector on the basis of recently drawn-up statistics. Total oil sales were 11.3 million tons.

Some sales fell as much as 6.2 percent, but about half of this is estimated to have been caused by changes in consumers' storage. This means that oil consumption has gone back to the 1975 level. The union reports: "The gross national product has grown from the pre-energy crisis year 1973 by 21 percent and the total consumption of energy correspondingly by over 9 percent. As the total energy consumption has increased, the share of oil has decreased although there have been no notable changes in the amount of oil brought into Finland in the past few years."

In 1980, oil's share of the total consumption of primary energy was 46 percent, that is, 2 percent less than the previous year. The decrease of the share of oil was even greater than the previous year, although Finland was then already one of the leading countries in the speed of conversion from oil. In 7 years, the share of oil has gone down from 56 percent by over 100 percent, which has necessitated quite high investments in both energy production and energy consumption sectors."

"On the other hand," the report continues," the profitability of the savings and conversion investments in Finland is lower than in most industrial countries. Some reasons for this are that Finnish oil use equipment is generally modern and that our industry traditionally has paid much attention to the efficient use of energy."

Gasoline Sales Down by 5 Percent

Sales of motor gasoline fell by 5 percent, although the number of gas-fuelled cars continued to grow by 4.5 percent. This means that gasoline consumption per car continued to decrease by about 9 percent and was about 30 percent smaller than in 1973. About a third of the decrease has been effected by technical improvements in cars, and about 20 percent is caused by a decrease in the use of extant cars.

The consumption of motor gasoline in Finland remained even slightly below the 1975 level. In other Western European countries the consumption has grown during the past 5 years by 2.5 percent on an average, so we have been left further and further behind the general West European level in the use of cars.

"Compared with international levels, consumption of gasoline in Finland is very price-sensitive. The main reason for this is probably that total car expenses in Finland make up an essentially greater part of available household incomes than in other West European countries. Car owners in the lowest one-third income group simply do not have the means of increasing this share," the union remarks.

The consumption of diesel oil grew by 5 percent. It has grown by 25 percent from the 1975 nadir. The reasons for this are both the upturn in the economy and the rapid increase of diesel-run cars and delivery vans. Consumption of diesel oil used in goods transportation grew nearly in direct proportion to the increase in the volume of goods transported. It is expected that the increase of diesel-run cars will slow down as a result of the increase in vehicle taxes that was instituted in the beginning of the year.

Consumption of Light Fuel Oil Dropped

According to the Central Union of the Oil Sector, the deliveries of light fuel oil to domestic consumers shrank by 9.8 percent as compared with 1979. Approximately one third of this, however, was caused by changes in consumers' storage patterns, so that the decrease in actual consumption of light fuel oil was about 7 percent. As compared with the average yearly sales in the 1970's, the sales of light fuel oil went down in 1980 by 3.3 percent. The main reason for this was the improvements in energy economics--it has been possible to decrease oil consumption by raising the benefit ratio. Another reason was conversion to new modes of heating, for example to remote heating. Also, a number of farms have converted to using their own solid fuels.

The deliveries of heavy fuel oil to domestic consumers decreased by 6.4 percent. Actual consumption, however, was probably on the same level as last year. The increase in the price difference between light and heavy fuel oil improved the heavy fuel oil's position in relation to light fuel oil. Relatively minor additional investments are needed for conversion to the use of heavy fuel oil, and also this contributes to the likelihood of conversions.

"The share of oil in the production of electricity went up--for instance in the production of condensation power, about 180,000 tons more heavy fuel was consumed last year than the previous year. Four factors contributed to this: the poor water year, technical difficulties in nuclear power plants, delays in beginning massive production of electricity and the problems in deliveries of Polish coal. The situation concretely proved the essential role of oil as a reserve fuel," the central union stated.

[Table on following page]

SALES OF OIL PRODUCTS IN FINLAND IN 1980

	Sales in 1980 tons	Change as compared with 1979 +/- %	Share of Total sales %
Automobile gasolines	1,336,204	-5.0	11.8
Flight petroleum	80,229	+3.5	0.7
Diesel oil	1,098,816	+5.0	9.7
Light fuel oil	3,425,985	-9.8	30.2
Heavy fuel oil	4,185,775	-6.4	36.9
Liquid gas	120,215	+9.3	1.1
Lubricants	108,026	-3.6	0.9
Other oil products	989,023	-8.0	8.7
Total	11,344,273	-6.2	100.0
Natural gas	793,580	-5.9	
Total	12,137,853	-6.2	

9571
CSO: 3107

BRIEFS

DEEPER COAL SHIP HARBOR--Neste Oy intends to become a coal importer. According to Jaakko Ihamuotila, the company's managing director, Neste is precisely the company which has the experience to manage the transoceanic import of coal in the future. Neste got its chance as imports from Poland have been interrupted and will apparently stay insignificant in the future. Ihamuotila says that his company's experience in the transport of oil and in harbor operations make it unsuitable for ocean transports. Ihamuotila hopes for a speedy decision to construct a "Coal-Skoldvik" harbor somewhere on the coast between Helsinki and Naantali. Industrial coal users, mainly private enterprises, oppose the idea of Neste's coal harbor. They think that it is essential that coal be transported to where it will be used. According to them, Neste wants to monopolize coal imports as well as oil imports. The present coal importers fear that Neste will soon enter the coal trade Jaakko Ihamuotila refuses to comment on this. "At this time, we are mainly interested in the transport of coal." Neste chartered already last year two combination vessels which it is now using to transport for instance coal from the United States to Europe. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 27 Jan 81 p 3] 9571

CSO: 3107

CONSTRUCTION OF ATATURK DAM TO BEGIN IN OCTOBER

Istanbul TERCUMAN in Turkish 1 Feb 81 pp 1, 12

[Text] Foundations of the Ataturk Dam which is the last leg of the lower Euphrates (Firat) River project will be laid on the Republic holiday in connection with the 100th anniversary of the birth of Ataturk.

The Ataturk Dam, which is the largest of filled-type dams in Turkey and third ranking in size in the world, will produce 10 billion kw hours of electricity a year. Measured according to prices in 1970 the expnediture of 10 billion liras will be required for the materials in the construction of this dam.

According to information released, the Ataturk Dam electric power station will consist of eight units each with a power of eight megawatts. Thus with a power station of 2400 megawatts capacity, 10 billion kw of energy will be produced per year. This amount is one and a half times greater than the energy generated by the Keban Dam and equal to the total amount of hydroelectric energy produced in Turkey.

The Lake Area Four Times Larger Than That of the Cubuk Dam

With a volume of fill amounting to 82 million cubic meters, the Ataturk Dam is the largest in Turkey (approximately five times larger than Keban Dam) and is the third largest filled dam in the world.

The lake area of the Ataturk Dam will be the largest in Turkey. The volume of water behind the dam, which is to amount to 48 billion cubic meters, is one and one half times that of the Keban Dam and four times that of the Cubuk Dam.

It is reported that in terms of height it comes after the Keban Dam and the Oymapinar. The height of the Ataturk Dam is to be 184 meters.

Material Expenditures

According to official estimates the Ataturk Dam will require 84.5 million cubic meters of stone for fill. With this amount of stone which reportedly will be acquired from the vicinity it would be possible to build a wall surrounding Turkey one meter in width and 17 meters in height.

The iron and cement which is to be used for the dam would reportedly build 50,000 apartments on a 100 square meter area.

Moreover it is stated that the energy generated by the dam will be sufficient to burn 24 million 100 watt light bulbs continually. In other words the energy to be produced will be sufficient to meet the needs of 12 cities the size of Ankara or 30 cities the size of Malatya.

Land Acquisition

When the dam construction is completed the area affected will amount to 817 square km and hundreds of villages in the Samsat District of Adiyaman will be engulfed by water.

According to the project the lake area for the Ataturk Dam encompasses 118 areas of habitation, villages and localities. Before the lake begins to fill the acquisition of land must be completed and it is announced that work has begun on this matter. Ways are being studied to relocate the landholders in this area to another region.

Irrigation Projects

The dam which is scheduled to be completed by 1988 will provide irrigation for 1.5 million hectares apart from the generation of electric energy. The area to be irrigated by the dam encompasses the entire cultivated land in the Urfa, Harran and Ceylanpinar region.

A seven-fold increase in crop production is expected in this area as a result of the irrigation project.

9353
CSO: 4907

DINCER-2 SLATED TO START PRODUCTION

Istanbul MILLI GAZETE in Turkish 22 Feb 81 p 4

[Text] Diyarbakir (AA)--Minister of Energy and Natural Resources Berbulent Bingol announced that petroleum production will begin in a week in the southern Dincer-2 region.

Bingol completed his inspection of oil fields located at Raman, western Raman, southern Dincer, and Camurlu and returned to Ankara from Diyarbakir by plane yesterday.

Minister of Energy and Natural Resources Bingol, who gave a statement at the TPAO [Turkish Petroleum Corporation] Batman Region Directorate regarding his trip, noted that he "obtained positive impressions of the work at southern Dincer-1 and southern Dincer-2 fields" and said:

"I felt immense pleasure in seeing the great excitement and effort of all employees from the laborers to the cappers, from the engineers to the chief engineers.

"I believe that, by descending to 1,549 meters within a week, we will be able to attain the goal set earlier at the southern Dincer-2 well. We estimate that we will be able to extract a thousand barrels of petroleum a day from this well. Work is underway at present to tap the third, fourth, and fifth wells at this site. Keeping in mind the fact that, in the Raman region, which is Turkey's largest producing field, 7,500 barrels of petroleum per day are produced from 87 wells, the significance of the amount of oil obtained from a single well here can be more easily comprehended.

"I hope that we will achieve results at Dincer-1, our original objective, within 15 days."

Situation at Raman, Camurlu

Minister of Energy and Natural Resources Bingol, who explained that there is a petroleum reserve of 300 million tons in the western Raman region, provided information on the project being undertaken in that area. He said:

"This project is now being implemented. In 1983, 10,000 barrels per day will be produced from this field. Later, this will be increased to 50,000 barrels a day. The same type of petroleum with a low specific gravity has been discovered at the Camurlu field. This reserve appears to be extremely large, but it is not possible to make a specific estimate at this time. With the 10 exploratory bores that will be drilled within a year, definite information regarding the reserve will be obtained. One characteristic of this oil field is that carbon dioxide, which must be brought a distance of 90 kilometers for western Raman, exists near this field."

Foreign Exchange for Petroleum

Minister of Energy and Natural Resources Bingol, pointing out that Turkey spends between $4 billion and $4.5 billion per year to purchase petroleum, stated, "It is not possible to endure this outflow. For this reason, petroleum exploration and domestic production will be given greater emphasis than ever."

11673
CSO: 4907

COMMERCIAL ACTIVITY, IMPORTANCE OF FAMAGUSTA NOTED

Nicosia HALK'IN SESI in Turkish 21 Feb 81 p 1

[Text] Famagusta-- While, on one hand, various goods of importers are being unloaded from ships at the Famagusta port, our export products, the chief of these being citrus fruits, are being loaded onto ships bearing a variety of foreign flags.

According to the observations of our reporter who visited the port, while ships named "Fatih Sultan Mehmet" and "Bedri Ince," which unloaded cargo on Cyprus, were being emptied of the citrus packaging cartons that are used for exportation, four other ships were offloading cement, the residue of crushed seed, raw materials for the manufacture of plastics, and barley.

At the same time, Cypfruvex [Cyprus Vegetable and Fruit Processing and Exporting Corporation] was loading ships sailing under foreign flags, the majority of which were Danish, with top-grade citrus fruits bound for western European nations. Nearby, intense activity could be seen in the loading of export oranges in net sacks onto a ship headed for Syria.

What gives one distinct pleasure is that, maintaining a pace appreciative of the efforts demonstrated by the dock workers, who work heart and soul to ensure that the goods of both exporters and importers reach their destinations as quickly as possible, both truckers and customs and port personnel rush from here to there with high morale resulting from the volume of business being carried out.

The most significant point observed is that the Cypriot economy is on the right course with activity directed toward exportation. In the free port district, chemical fertilizer and barley brought from America in ships with great tonnage are placed in sacks and exported to various countries, primarily Arab nations. At the same time, the newly established carton factory that should meet Cyprus' needs within a short time continues trial production.

Inspections that were made show that the free port region is quickly reaching the point at which it will not be able to cover the demands of the various businessmen.

The people of Famagusta have long perceived the importance of the port and exhibit good will and concern for businessmen, ship personnel, and native and foreign tourists who visit the town.

Few as they are, some complaints about the port do arise. The chief of these is that the government has been unable to furnish any form of the help necessary in regard to the topic of materials and means to the dock workers union or to the port office itself. If this problem were solved, the transformation of Famagusta into a large transit port would not be an illusion.

The cleaning up of the port has also been attacked vigorously recently, and the Famagusta municipal government has increased its activities in providing a number of municipal services in addition to cleaning services for foreign ships.

All sections of the community now think of the Famagusta port as their own personal port and believe that it can be preserved by their standing as protector of it.

11673
CSO: 4907

ECONOMY-DEFENSE RELATIONSHIP DISCUSSED IN DETAIL

Paris DEFENSE NATIONALE in French Feb 81 pp 33-49

[Article by Henri Tezenas du Montcel: "Economy and Defense"; passages between slant-lines originally published in italics]

[Text] In a preceding article Henri Tezenas du Montcel, professor of economics and president of the University of Paris-Dauphine, presented the overall aspect of the problem of the relationships between economy and defense. He then studied, at first the weight of military defense in the economy of a nation. He now comes to the other aspect of his work, which complements the first aspect. The economy is one of the means used by a nation to provide for its defense. He finally poses the question: "Economy and defense? This is a question which is finally cultural, because the final question for our affluent societies concerned with security is: why fight?"

II - The Economy, Agent of Defense

Since the economy has the function of ensuring the well-being and the security of the people, it contributes to their defense under this heading. Before examining with what means and up to what point it carries out this essential mission, two preliminary remarks should be made. One of them concerns the cohesion of the human resources involved, and the other concerns the orientation of the organizations which provide a structure to these resources.[1]

Everyone knows that the morale of an army conditions what it does on the ground, and morale itself is dependent on logistical support which is therefore economic in character. In an analogous way the efficiency of an economy depends on the will of the men who make it move: the qality of their involvement determines the level of the results obtained. In the two areas, consequently, an ideological precedent comes into play. The consensus required for defense is not fundamentally different from the loyal participation demanded of production workers in factories. From this come the threats which weigh on defense as they do on production. In other words, the commitment of the participants in the process is a condition for efficiency which applies as much to economic matters as to military matters. And if one envisages making the economy into an explicit means of defense, this precedent can only see its role grow, without its being so much easier to accomplish. Before conceiving of the economic apparatus as a weapon, it is necessary, in consequence, to be sure of the commitment of the men involved. That is a crucial point which one should not lose sight of.

In terms of the methods used by leaders to direct the organizations of which they are in charge, a similar convergence can be observed. From the defense authorities we expect that they will display vigilance and an attitude of concern toward the future, that is, that they will display vigilance and an attitude of concern toward the future, that is, that they will know how to watch the development of the national and international environment and that they will be successful in conceiving, well in advance, the necessary changes to face up to the situation.

In a similar way, when the economic situation becomes difficult, when prospects for change cause concern, when innovation takes place at an accelerating rate, we expect from business leadership exactly the same kind of behavior: vigilance (watching over and anticipating market develop[illegible]ts) and an attitude of concern toward the future (that is, not being satisfied with the present state of functioning of the market).

In short, the strategic requirements are of a superior order: they go beyond the particular areas to which we apply them, and they assume their full importance when a condition of instability prevails.

Now, this is the major characteristic of the present time. The different environments--political, social, technological--are evolving more quickly than our capacity to look ahead into the future is progressing. From this fact, a return to the hard core of the conditions of life of our societies is necessary:/the economy has a growing importance in our defense systems/.

The Proliferation of Conflict

The conflicting character of the economic universe is a constant factor, because the division of scarce resources among the various actors does not take place according to "a graceful game." The division in effect results from a collision between unequal forces variously provided with non-homogenous means. As this is not a perfect universe, the economic game is therefore a state of disorder, organized in terms of conflicts of interest, division of resources, and power.

From the fact of the worsening of these conflicts, the field of defense problems has expanded, and the role which the economy can play in the defense area has been extended.

Multiple Sources of Conflict

For a number of years it has been clear that the systems for the regulation of conflict which, since World War II, have assured a relative harmony of economic relations on a world scale are becoming less effective. There are several causes for this development, which is filled with menace if not of direct risks, that can be identified.

In the first place, historical developments have profoundly modified the state of international relations. The zones of colonial stability have collapsed. France and Great Britain have lost their empires. The United States no longer has control of the South American continent. The Soviet Union itself no doubt no longer governs its zone of influence as much as it did.

Simultaneously, we have seen the emergence of /a multipolar world./ Since 1945 the number of independent states has almost tripled. The hundred or so new states searching for their indentity and concerned with demonstrating their new status have tried to organized armed forces as powerful and modern as possible, with a consequent desire to resolve certain socio-political problems in this way. For if, as Toynbee suggests, the existence of a grave challenge is often the source of progress among nations, a conflict can also be a factor leading to the consolidation of a young state. Apart from the fact that the hegemony of the two poles of power dominant since the end of World War II has been attenuated, the number of centers of decision which really count has noticeably increased. The expansion in the number of nations has thus increased the occasions for conflict. Now, we know that games with an "x" number of players are more complex than games between two players.

The second cause is economic in nature. /The expansion of trade to a world level,/ deliberately sought since 1945 in order to contribute to the maintenance of peace, has been a spectacular success. The average annual growth of world trade (7 percent) has stimulated exceptional expansion. However, the latter has not lessened the disparities between rich and poor countries but, on the contrary, has accentuated them.

What is it that will make differences between nations in the future? It is the stock of material capital, the stock of human capital, and the capacity for innovation. On the basis of existing evidence the countries of the world, from this triple point of view, are unequally endowed by nature and by history. It is not astonishing that, in these conditions, the cutting edge of multiform conflict should be generalized economic conflict, since not only is the relative endowment in resources quite varied but even more so inequality is expanding under the impact of differing rates of growth and the valuation, itself unequal, of natural resources.

There have therefore developed profound antagonisms between industrialized countries and countries producing raw materials, between the unemployed of the developed countries and the masses of people without occupations in the Third World, between the former colonial powers and the newly-independent countries, at the level of the deterioration of the terms of trade in particular. The spectacular entry onto the scene of the oil-producing countries has further made the very idea of the Third World shatter into fragments, since one can no longer include under this term countries with such disparate levels of income and hope, depending on whether they have natural resources or not. This transition to a world economy also results form the will of a group of large-scale enterprises with complex ramifications. The world is thus enclosed in a network of arrangements so dense that any tension at one point provokes a distortion of the whole system. Hence there has emerged a state of interdependence which has abolished the pertinence of the notion of national economic self-sufficiency and has made relations between the economic powers very complex to analyze. For example, do we know whether, as between a creditor country and a country in debt to it, the first country is always the stronger?

The third cause is military in character. The evolution of weapons systems, as well as nuclear proliferation, have diversified the forms of conflicts as well as their manner of spreading. The seizure of territory by means of direct, military intervention, henceforth would be less practicable. There would be substituted for it action by means of economic control, eventually accompanied by action by a third party (Cuba and its mercenaries).

The combination of these sources of conflict led to the emergence of two developments. On the one hand, there has been /a destabilization of the world economy/: a number of established positions have been placed in question. On the other hand, the view is becoming obsolete, according to which what is economic is that which concerns the country itself in the first place and what is political principally concerns the international sector. It is the inverse of this proposition which tends to be true.

Thus, the derangement of international trade has not been the only source of political competition. Political conflicts are above all the occasion for direct confrontations bearing simultaneously on the material and monetary forms of trade. Another source is the /growth of protectionism,/ which has found more and more supporters among public opinion. Still another source is the foundering of the international monetary system inherited from the Bretton Woods agreement and the competition of currency systems through floating exchange rates.

The conflicts of interest which consequently manifest themselves are all the more difficult to solve as new participants become involved, which the richest countries, in their usual activities, were in the habit of ignoring. Thus, the international monetary system can no longer be "managed" without the agreement of the largest dollar creditors. Now, the latter are no longer only European and Japanese.

In an analogous way competition between industrial products no longer concerns only the countries with old industrial traditions. The new international division of labor which has been established has brought into play new, industrialized countries, even for relatively sophisticated products.

The Forms of Conflicts

Despite their diversity, conflicts can be divided into two great families. There are, first of all, /conflicts over control./ These involve the struggle carried on by states to assure control of a productive, economic asset or an asset which may become productive. This category of conflict is often a near relative of military confrontation. In effect, when such a kind of conflict aims at control of a land or sea area, because it constitutes a communications point judged indispensable or because it contains useful natural resources, the economic justification for action quickly calls for intimidation by means of force. In recent history examples abound of conflicts of this kind. Tension concerning the exploitation of maritime resources (the lobster war and the defense of fishing zones), quarrels over the division of the continental shelf for oil prospecting, and even attempted annexation of territory where raw materials, mineral resources (uranium in particular), or petroleum are expected to be found, are among such examples. All these cases have in common a desire to find a variety of sources of revenue which would be of advantage in terms of autonomy, when it concerns energy products.

Conflicts of control also bear on sources of information, of communications, and of knowledge. The world is covered with networks (cables, radio systems, radio frequencies, satellites, data banks) whose division determines the degree of autonomy of the various states, because it conditions access to this basic resource, information, for our developed societies. To that may be added conflicts to obtain control over technological or scientific knowledge which open the way to industrial development (theft of patents, industrial espionage, and even the brain drain).

The second family of conflicts, /conflicts in relationships,/ involves the conditions for the trade of assets between states.

As exports are analyzed for one country as a sale of the work of its domestic employees to the rest of the world and as each nation has the desire to defend the position of its citizens as a first priority, the conditions surrounding sales or controlling purchases abroad are the occasion for frequent conflicts. The weapons used for this purpose are well known.

First of all there is the currency weapon. The depreciation of one currency in terms of the currencies of competing countries is a means of facilitating exports and creating obstacles for imports. Thus, the freeing of the dollar in terms of gold, decided on by President Nixon, counted to no small degree in the spectacular recovery of the market share of the United States in world trade after the end of the Vietnam War. When the depreciation of a currency is systematically undertaken, one speaks of "exchange dumping," the most aggressive form of competition through the use of currency.

The second weapon is constituted by tariff protection, that is, by the imposition of specific duties on the import of foreign articles in order to increase the cost of purchasing them and therefore to limit their volume in the market. To overcome such barriers, a response would consist in lowering prices. There would then be a threat of "price dumping."

The third weapon consists of a variety of non-tariff means of protection. Customs tariffs, in effect, have the inconvenience of clarity. One can substitute for them more discreet or more subtle measures: quotas, sanitary regulations, security standards, periods of time for examination by ad hoc commissions, etc. Like customs tariffs, non-tariff barriers are the object of complex international negotiations (e.g, the Tokyo Round). In spite of the good will affected by all the trading partners, they are far from having abolished all the obtstacles to free trade (e.g., the american selling price, the mutton war).

Finally, the fourth weapon consists in controlling the evolution of the terms of trade, that is, the price relationships between imported and exported products. Thus, an increase in the prices of investment goods produced and exported by the developed countries is an effective means of compensating for the increased cost of the energy raw materials which they are condemned to import. The high inflation which they accept becomes the principal means of paying the oil bill.

The evidence shows that in all these forms of conflict disparities of power have a major influence. The economic expression of their results, the international division of labor, therefore undergoes a permanent kind of evolution which modifies the comparative living levels and the rates of growth of the different economies.

The Aggravation of Vulnerabilities

No state can consider itself independent and still less self-sufficient, except at the cost of agreeing to the lowering of its power and the living level of its citizens. However, opening one's economy to other countries, although it multiplies the factors of expansion, also simultaneously increases the fragility and vulnerability of economies. In this regard the expansion of trade to a worldwide basis has two major consequences: independence is giving way to relative autonomy, and critical dependencies are becoming evident.

Regarding /independence,/ a single series of figures is enough to convince oneself of its relative truth. If one relates total exports to the total GNP of the principal countries engaged in international trade, the following figures can be developed (in percentage terms):

Total Exports / Gross National Product	Japan	France	West Germany	U.S.	EEC
	9.9	16.2	21.8	6.8	23.7 (2)

External markets have therefore assumed, at least in Europe, a considerable role in the maintenance of the resources of each state[3] (Belgium and the Netherlands, for their part, have rates close to 50 percent).

The increase of dependence to this level of magnitude, however, is stated above in too general a fashion. It is principally at the level of technology, the basic resource of the developed countries, that the question of independence is raised. Now, technological independence, that is, "the capacity to consider doing what one wishes to do," is reserved to a very small number of countries: the two superpowers and, in certain particular areas, the four or five countries which follow them in terms of industrial development. These cases apart, the general situation is that of a kind of submission associated with numerous risks:

--cultural risks toward countries controlling the most elaborate systems of information (data banks);

--strategic risks in the sense that autonomy implies the mastery of advanced technologies (large computers, nuclear energy, space launders, satellites);

--economic risks involving developed countries having monopolistic positions (nuclear enrichment and tratement facilities, for example) and new industrialized countries which, if they obtain modern techniques, can then take markets away from more advanced countries (a dilemma, consequently, between liberalism with a boomerang effect and protectionism with stagnation).

In a great number of specific areas, furthermore, it is more than a matter of risks; it is /a critical dependence/ which appears.

In terms of energy and especially petroleum, this appears in a flagrant way. OPEC controls two-thirds of production and more than 80 percent of the petroleum in world trade, while the consuming countries at present do not have an alternative source of energy. The geopolitics of uranium and of coal is somewhat analogous. For basic raw materials the dependence of a geographic zone such as Europe is also considerable. Even for industrial products, countries as developed as France or the Federal Republic of Germany do not control certain areas of production, by reason of gaps in the output of certain, sensitive products (electronic components, titanium, for example).

Therefore, we have to face the fact that there are areas of dependence which can paralyze the centers of decision, which can halt for a considerable time the desire for development, and even impose reductions from outside.

Of course, it is possible to interpret these networks of dependence as the consequence of a good use of resources which are poorly distributed over the surface of the earth, and thus as the result of an effective division of labor. However, this optimistic view conceals how much the role of domination by size (superpowers or supersized

business firms) or by investment (taking control by foreign capital, with an effective move of the decision-making centers) is decisive.

We are accustomed to consider that vulnerability is military in nature and that dependence is economic. The reverse is also quite true. For middle-sized powers economic vulnerability depends on the sophistication of their productive apparatus, and military dependence in terms of the superpowers is hardly in question.

The Economic Strategies of Defense

The inventory of sources of conflict and areas of fragility which results from the above should not lead us into passivity but rather into organized action to face up to the situation. The behavior of a people who know that their future is linked to the world economy is not that of a people who regard exports as an accessory activity. The constraints and the efforts required are of a different nature. The Japanese or German example leads one to reflection in this regard. Deprived of the need to invest as much as their conquerors in military means, these countries have found in the conquest of external markets the possibility of an imposing increase in power. Therefore, there are economic strategies which, if they cannot replace, at least they can extend the more usual instruments of defense.

Elementary Principles

Easier to define than to put in practice, these principles can be summarized in the following way.

In the first place, it is appropriate to/ disperse the risks,/ by acting at three levels. First of all, there is the matter of supplies. It is necessary to make sure that imported products do not come from too exclusive a list of suppliers. At the level of customers, it is important to seek diversification, by trying to reach markets in countries in several regions of the world, at different stages of economic development and with various kinds of political regimes. At the level of goods and services exchanged, finally, accentuation of the variety of areas and limitation of too narrow areas of specialization will guarantee a greater degree of freedom.

The second principle is to provide oneself with /a power of dissuasion./ Each country has relative advantages which it must organize in response to the threats which weigh on its sources of supply. Thus, being a supplier of machinery not easily replaceable (which is not "compatible") by competitive products whose complex technology requires maintenance kept up to strength and spare parts, is an effective means of ensuring oneself of continuing income and of making the customer understand the situation, once the first set of machinery is installed. The practice of avoiding standardization of goods, in this regard, is a convenient way to create captive markets. In the same way, providing onself with the same juridical and technical apparatus for handling petty problems as one's trading partners have can open up markets.

In the third place, it is necessary to be thoroughly acquainted with the /hierarchy of products,/ according to their importance and their sensitivity. Regarding imported goods, this makes it possible to arrange for effective substitutes or only potential substitutes, if possible, or if this is not possible, to establish channels of supply to designated consumers. For products manufactured at home, one can protect supply networks leading to the most vital consumers among them, in order to ensure their continuing in production.

The fourth principle is self-evident. It consists in requiring the establishment of /security stocks/(in raw materials, especially) in order to be in a position to withstand embargoes and eventual blackmail from the suppliers.

Finally, /the formation of a coalition/ among several countries in a similar situation can be undertaken. In the case of conflicts between the powers, united groups multiply the strength of each of the members, if they know how to stick together.

Areas of Privileged Application

Energy, raw materials, and industry are the principal areas where the action of the state brings together the economy and defense. For the last few years the policy carried out in France regarding energy and raw materials has aimed at five main objectives:

--to develop domestic resources to increase as much as possible, and under acceptable cost conditions levels of self-sufficiency;

--to practice conservation and to fight against waste;

--to diversify sources of supply (geographically and technically);

--to strengthen French companies and the French presence on the international scene;

--to develop security stocks.

The progress made in these directions serves not only to face up to oil shocks. It also aims at reducing the degree of dependence of our country in terms of essential supplies in euphoric periods of rapid growth.

For its part the policy of stimulation and support for industry has similar objectives. "Without industry, in the contemporary world, one cannot be a great country or be a factor in international affairs, or even be able to defend oneself against arrogant neighbors."[4]

Not only is a strong industrial establishment the essential condition for a competitive armaments industry, but by its power it carries with it a series of related effects which contribute to the autonomy of the country.

Thus, "the industrial imperative" has made it possible to establish in France large industrial groups having the international dimensions and reach necessary to confront their foreign competitors. The development of this "middle economy" no doubt can lead to economic conflicts between private companies--with the conflict between large, multinational companies dragging the national states in their wake--but the existence of conflicts between private companies does not exclude the question of nationality. The so-called multinational firm is a means of dominance which is multinational wherever it is established. Such a firm remains very broadly national when it is a matter of establishing a priority of the interests which it will defend in the last resort. If France did not have the large companies which it has, its economy would certainly be more dependent on the will of its trading partners and the companies that belong to them.

We also observe that economic means are being used to a growing extent as instruments of defense. This tendency, moreover, has been favored by the nuclear factor. Nuclear weapons do not only stimulate the development of local conflicts between small states. They also lead to the use of parallel weapons systems--ideological, of course, but also those which are of an economic order.

In effect, the risk of destruction which any situation of conflict involves when it can imply the use of nuclear weapons imposes prudence in the management of tension. Therefore, it is necessary to find, this side of the critical threshold, means of regulating conflicts.

Now, the growing cost of conventional conflict and the growing dependence of most countries on supplies of raw materials increase the effectiveness of intervention by economic means.

The importance of the economy in terms of defense is also favored by the considerable cost of programs of military equipment. A tactical consideration enters in the competition which the great powers carry on in this area. These powers are in a situation of conjectural interdependence. That is, their behavior and their choices are controlled not only by their anticipation of the actions which their adversaries might take, but also by their estimate of the reactions which the latter might have to the actions which the first power might take. Thus, the mere announcement of an equipment program (not followed by real action) can be enough to provoke one's adversary to make effective efforts to imitate the program (as a result of the announcement). A sort of wire control of enemy investments can thus be exercised. These mechanisms, which oligopolistic firms know well, aim at requiring the competitor to make successive decisions which lead, at a minimum, to a waste of his resources and, a at best, to a real dislocation of his market strategy and, in any case, to his relative impoverishment. Since substantial allocations of economic resources are necessary to carry out a program, the dispersion of allocations on successive projects which are not logically linked together leads to a general weakening of the firm. Could not the announcement of a space program be a means of avoiding competition in the area of certain weapons? The resources of a state--however strong it may be--are always limited, and they are even more so as investments requiring advanced technologies are extremely costly.

Economic Weapons in Question

The expression, "economic weapon," is now in vogue. In effect, circumstances have given particular emphasis to the real constraints which could come from an interruption in the flow of trade in essential products.

Can one conclude, then, that there are economic weapons? To what point are they effective? Before concluding, it is appropriate to try to answer this double question.

The Inventory of Economic Weapons

The first weapon which comes to mind is clearly the oil weapon. Energy is the oxygen of economic activity. As petroleum is not replaceable in most of its uses, the oil producers have a capacity to exert pressure on the consuming countries. The pressure can be exercised on prices and/or on volumes of oil and lead to economic adjustments (a slowing down of growth), and even to political alignments.

The second weapon is agriculture. Contrary to what one could imagine, it concerns the developed countries only. Hunger is not a weapon! the peoples of the poor countries, if deprived of food resources, will suffer malnutrition and famine and will die. Whereas the Soviet Union (because of its chronic deficit in wheat) and Western Europe (because of the kind of agricultural development which it has adopted, it must import a considerable quantity of soybeans) could be sensitive to a drying up of their supplies in this regard. And in the two cases the United States holds the key by reason of its surpluses.

The third weapon, to which we have already largely referred, is technology. It is a weapon held by the countries which are industrially the most developed. Only they can invest substantial resources in research and innovation.

The fourth weapon of which one could think is competitiveness. That is, the capacity to produce quality products at less costs. This weapon is in the hands of countries which have relatively inexpensive labor available or which know how to provide themselves with investments which bring a substantial return.

Finally, the fifth weapon is financial and has several aspects: the total amount of capital, the capacity to develop credit, the possibility of issuing currency which is accepted as a means of international settlement. Capital makes it possible to purchase weapons, to pay for alliances, and to take control over foreign decision-making centers. Opening lines of credit leads to docility on the part of the most impoverished debtors. Having its national currency used in the settlement of debts abroad is, for the state benefitting from this privilege, a means of financing its balance of payments deficits in a painless way. The poor countries are subjected to the financial weapon, as are those whose economy functions badly and those whose debt is equal to an excessive proportion of it Gross National Product.

Recognizing the existence of these weapons does not, however, signify that they are available to all states. Far from it! By their very principle they have every chance of belonging to the large countries. In this area the small countries only have an accessory role, either because their financial means are too modest on a world scale or because the inelasticity of their offer, if the latter counts at all, obliges them not to use their theoretical power.

The weapons listed above are therefore, for the most part, in the hands of the great powers and especially of the United States, whose privileges in this regard are very clear. In other terms, speaking of economic weapons threatens to be a new way of stating what is already clear, that is, that the great powers.....are powerful.

Conditions of Employment

The means of defense or aggression through the use of the economy do not really constitute weapons easy to use and which can replace military weapons. Looked at closely, their use is problematical, and the possibilities for substitutes are limited.

The limits of use are numerous. First of all, depriving a customer of products is to deprive the producer of resources. An embargo is no doubt an annoyance for the target country, but it also involves an immediate loss of income for the user of the weapon.

Then,the annoyance of the customer is only effective when there is no other supplier capable of replacing the one not available to him. This situation can only exist if there is an absolute monopoly. It is an exceptional case, even for the technologically developed countries.

Further, an embargo is only effective when it is water-tight. Now, the sources of leaks are numerous. The producers, deprived of income, are not necessarily fully in agreement with the views of their government. Restrictions on trade encourage an increase in prices. They therefore encourage an aptitude among those whose appetite for profit is of the same order as their imagination. And there is always, somewhere, a neutral state disposed to launder prohibited trade.

The last difficulty in use relates to the problem of the dosage. As long as the weapon does not really place in question the functioning of the enemy economy and the living standard of its population, it is usable. However, moderation of its intensity ensures that the effects themselves are only modest. The economic weapon then comes down to a symbol, a warning. It is a stronger message of social control than persuasion by the use of influence, but which comes down to economic incitement similar to what takes place in the normal round of competition.

If, on the other hand, the economic weapon is used with the vigor required to produce real effects, we no longer perceive what distinguishes it from forcible constraint and how it can then fail to provoke, almost instantaneously, military escalation.

In short, economic weapons appear to be complements rather than substitutes for military means of pressure. One can even ask oneself if the recent interest which these weapons have aroused is not a way for public opinion to persuade itself, when it knows that this is false, of the existence of "soft" weapons and the stability of the principle of detente.

The role henceforth played by the economy in defense systems is not subject to question for at least two major reasons. First, the great obsession of men is not to die for an abstract cause. Rather, it is a matter of enjoying some "blessings" whose manifestations are of a material order. Now the desire of every man for these "blessings" can only be satisfied by the operation of the economy and by access to advanced technologies. In the same way, defense is a powerful claim, not so much for "blessings" but rather for the security of one's own possessions. Defense can only be satisfied by technology and the economy. The second reason is that the economy does not provide only the supplementary means of defense. By itself it provides an effective defense if it is well managed. Good management, in effect, is the only viable response to those who question property rights. This is true for states as well as for companies.

The defense of France demands that the means of competitiveness be used in order to ensure the development of employment, the realization of an industrial policy for the future, and ensuring that France is taken into consideration in the concert of nations. Military wars created states. If economic war is the new form of confrontation, it threatens to determine their future.

However, whatever the economic means eventually applied to provide for defense, the decisive, strategic advantage will always belong to the country which has economic superiority and industrial superiority.

Now, France, by the fact of its medium size, does not have access to the degree of autonomy of the two greatest powers. That does not condemn her to submission. "If the republic is small, it will be destroyed by a foreign force. If it is large, it will be destroyed by internal vice." (Montesquieu) The states of medium size have their opportunity. It is up to the collective will of the citizens, to their will to independence.

Economy and defense? This is finally a cultural question, because the final question for our societies concerned with security is: why fight?

FOOTNOTES

1. I wish that F Tarbouriech may find here my thanks for the discussions which have contributed to this section.

2. The figure is 12.1 percent if one excludes intra-community trade.

3. And if these trade balances are equalized, that means so much in terms of vital resources which must be obtained from abroad.

4. S. Wickham, "Post-industrial Temptation in France," LA REVUE TOCQUEVILLE, No 1, 1979.

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STATISTICS SHOW INDUSTRIAL PRODUCTION DROP

Athens O OIKONOMIKOS TAKHYDROMOS in Greek 29 Jan 81 pp 15, 16

[Text] According to National Statistical Service [EST] data the Industrial Production Index dropped by 3.4 percent in August 1980 compared to the corresponding 1979 month. The average industrial production dropped slightly by 0.1 percent during the January-August 1980 period compared to the same period in 1979.

By branches the average Industrial Production Index changes during the January-August 1980 period compared to the same 1979 period were as follows (1970=100):

	Branch	January - August 1979	1980	% Change
1.	Foodstuffs	147.1	137.9	- 6.3
2.	Beverages	230.2	243.4	+ 5.7
3.	Tobacco	157.8	155.7	- 1.3
4.	Textiles	219.1	211.4	- 3.5
5.	Shoes--clothing	253.1	245.5	- 3.0
6.	Lumber--cork	206.5	206.8	+ 0.1
7.	Furniture	109.4	95.5	-12.7
8.	Paper	191.5	191.8	+ 0.2
9.	Printing--publishing	115.4	116.3	+ 0.8
10.	Leather	91.8	77.5	-15.6
11.	Rubber--plastics	208.6	190.7	- 8.6
12.	Chemicals	202.5	202.0	- 0.2
13.	Oil by-products	273.3	274.7	+ 0.5
14.	Nonmetallic ores	217.4	232.7	+ 7.0
15.	Basic metals	184.5	185.2	+ 0.4
16.	Metal products	181.6	188.7	+ 3.9
17.	Engines and appliances	139.8	116.2	-16.9
18.	Electric engines	182.8	218.0	+19.3
19.	Transportation means	150.8	160.7	+ 6.6
20.	Miscellaneous industries	194.5	182.0	- 6.4
	GENERAL AVERAGE INDEX	189.1	189.0	- 0.1
Capital goods		(180.1)	(185.0)	(+ 2.7)
Durable goods		(184.8)	(211.7)	(+14.6)
Consumer goods		(193.3)	(187.1)	(- 3.2)

The preceding data show that the drop by only 0.1 percent of the new industrial production was due to the decrease in the production of consumer goods by 3.2 percent while on the contrary the production of capital goods increased by 2.7 percent and those of durable goods by 14.6 percent.

On the other hand, the average changes of the secondary production which includes the production of electricity-gas and mines (excluding industry and constructions) during the 1980 January-August period was as follows compared to the same period of the previous year, 1979 (1970=100):

1.	Industrial production	-0.1 percent
2.	Electricity-gas	+2.5 percent
3.	Mines	-0.1 percent
	GENERAL AVERAGE CHANGE	+0.2 percent

It is evident from the above data that the average general increase of the Secondary Production Index by 0.2 percent is due to the increase by 2.5 percent in electricity and gas production while on the contrary the production index for industry and mines dropped by 0.1 percent, respectively.

Retail Sales Price Index Increased by 22.2%

According to ESYE data, the Retail Sales Price Index [DALP] marked an average increase of 22.2 percent in current prices in all areas of the country during the January-September 1980 period compared to the corresponding 1979 period. By categories, the DALP average changes during the January-September 1980 period compared to the same 1979 period are as follows (June 1974=100):

		January - September		
		1979	1980	% Change
A.	Whole Country:			
1.	Foodstuffs	204.9	238.9	+16.6
2.	Clothing--shoes	201.5	244.2	+21.2
3.	Furniture--home furnishings	256.4	293.9	+14.6
4.	Other items	219.5	285.0	+29.8
	GENERAL AVERAGE INDEX	215.2	262.8	+22.2
B.	Athens Area:			
1.	Foodstuffs	187.7	222.2	+18.4
2.	Clothing--shoes	176.8	223.3	+26.3
3.	Furniture--home furnishings	280.8	339.5	+20.9
4.	Other items	234.6	297.4	+26.8
	GENERAL AVERAGE INDEX	209.8	258.4	+23.2
C.	Rest of Country:			
1.	Foodstuffs	226.3	255.2	+12.8
2.	Clothing--shoes	235.2	271.2	+15.3
3.	Furniture--home furnishings	228.2	246.6	+ 8.1
4.	Other items	199.8	267.1	+33.7
	GENERAL AVERAGE INDEX	219.4	268.4	+22.2

The preceding data show that the 22.2 percent DALP general average increase during the January-September 1980 period compared to the same 1979 period was the result of the further increase in current prices in each category throughout the country. For the Athens area specifically the increase reached 23.2 percent while for the rest of the country the increase was smaller--22.2 percent.

If one takes into consideration the fact that during the period under review the Consumer Price Index for the whole country increased by 24.6 percent, then the noted DALP general average increase during the January-September 1980 period fell short by about 2.4 percent by volume.

For the period between September 1979 and 1980 the Retail Sales General Index for the whole country increased by 22.3 percent as a result of the rise in special indices and especially the foodstuffs index by 12.4 percent, the clothing-shoes index by 27.1 percent, the furniture and home furnishings index by 16.9 percent and the index of other items by 28.3 percent.

Current Balance of Payments Deficit Dropped for First Time

The deficit in the balance of payments on current accounts dropped slightly for the first time while the balance of payments continued to improve in October 1980 also. Generally speaking, the structure of the noted developments in the overall balance of payments during the January-October 1980 period compared to the same 1979 period was, according to Bank of Greece provisional data, as follows (in million dollars):

		January - October	
		1979	1980
1.	Imports	8,302	8,926
2.	Exports	3,168	3,463
3.	Trade deficit	-5,134	-5,463
4.	Net invisible resources		
	a) Receipts	4,713	5,269
	b) Disbursements	1,117	1,249
	c) Net invisible resources	+3,596	+4,020
5.	Current trade deficit	-1,538	-1,443
6.	Net capital inflow	1,017	1,565
7.	Errors and omissions	607	-79
8.	Final status	+86	+43

The above Bank of Greece data lead to the following conclusions:

1. Imports: During the January-October 1980 period our imports increased by 7.5 percent compared to the same 1979 period and reached 8,926 million dollars; they increased, that is, by 624 million dollars. This increase is totally due to state imports which rose to 36.5 percent while the private imports dropped by 1 percent.

2. Exports: During the first 8 months of 1980 our exports increased only by 295 million dollars (+9.3 percent) and totaled 3,463 million dollars.

3. Trade Deficit: As a result of the above developments the trade deficit reached 5,463 million dollars. It increased, that is, by 329 million dollars or by 6.4 percent compared to the corresponding January-October 1979 period.

4. Net Invisible Resources: A net increase of 424 million dollars, or 11.8 percent, was noted during the January-October 1980 period. It reached an absolute level of 4,020 million dollars. More specifically, the invisible resources increased by 11.8 percent because of the increase in maritime remittances by 21.3 percent, of the tourist exchange by 12 percent, of the withdrawals from convertible deposits by 21.5 percent, and of miscellaneous items by 17.9 percent. On the contrary, the inflow of immigrant remittances decreased by 5.6 percent while the invisible expenditures increased by 11.8 percent during the period under review.

5. Current Trade Deficit: As a result of the above developments during the January-October 1980 period the current trade balance dropped slightly for the first time by 95 million dollars or 6.1 percent compared to the same 1979 period and reached 1,443 million dollars.

Finally, including the significantly increased net capital inflow from abroad especially in the form of foreign borrowing by the Central Bank and also the errors and omissions totaling 79 million dollars in the debit column, the overall balance of payments left a surplus of 43 million dollars compared to 86 million dollars during the corresponding 1979 period. As mentioned earlier, the borrowings by the Central Bank and the Public Enterprises and Organizations during the first 10 months of 1980 was high and had reached 801 million dollars.

The official Bank of Greece reserves decreased by 68 million dollars and on 31 October 1980 reached an amount equal to 1,160 million dollars [while] the International Monetary Fund reserves increased by 81 million dollars. On the other hand, the outstanding trade credits abroad totaled 1,671 million dollars on 31 October 1980. They exceeded, that is, the official reserves by 611 [sic] million dollars.

On the other hand, according to other data, in October 1980 the current trade deficit was limited to 28 million dollars compared to 111 million dollars during October 1979. This development is due to the considerable decrease in the costs of imports by the private sector(-14.1 percent).

Money Supply

Between May 1979 and May 1980, in a period of 1 year in other words, (last available Bank of Greece statistical data) the total supply of money increased by 33,814 million drachmas or by 15.1 percent and reached a level of 258,624 million drachmas compared to a greater increase of 37,070 million drachmas (+19.7 percent) during the corresponding period between May 1978 and May 1979.

By categories the level of 258,624 million drachmas of the money supply on 31 May 1979 is analyzed as follows (in million drachmas):

	Value	% Total
Monetary Circulation	178,769	70.7
Demand Deposits	74,855	29.3
Total	253,624	100.0

The above data show that the greatest volume of money supply comes from the money circulation with a percentage of 70.7 percent while the demand deposits represent a percentage of 29.3 percent.

Private Capital Inflow Increased Only 1.3%

During the January-March 1980 period (last available Bank of Greece analytical data), the inflow of private capital (including also the changes in the pending trade credits) reached an amount equal to 739.8 million dollars compared to 659.5 million dollars during the corresponding 3-month period in 1979. If the changes in trade credits abroad are eliminated from both the above time periods then the inflow of private capital will reach 652.1 million dollars compared to 643.9 million dollars during the corresponding January-March period of the preceding year, 1979. There was, therefore, a proportionately small increase of 8.2 million dollars or only 1.3 percent.

By categories the inflow of private capital during the January-March periods of 1979 and 1980 is as follows (in million dollars):

		January - March	
		1979	1980
1.	Law 2687--Productive Investments	3.2	6.8
2.	Deposits in Foreign Exchange	427.4	413.6
3.	Private Entrepreneurial Capital	60.7	100.1
4.	Other Private (Capital)	152.6	131.6
5.	Change in Pending Trade Credits Abroad	15.6	87.7
	Total	659.5	739.8

The above statistical data lead to the following special conclusions:

1. Law 2687--Productive Investments: During the first 3-month period of 1980 the capital inflow in this category was limited to 6.8 million dollars compared to 3.2 million dollars during the same 1979 period; it fluctuated, that is, along very low levels.

2. Deposits in Foreign Exchange: During the January-March 1980 period there was an inflow of 413.6 million dollars compared to 427.4 million dollars during the same period in 1979. There was, therefore, a drop of 13.8 million dollars or about 3 percent.

3. Private Entrepreneurial Capital: During the first 1980 quarter the capital inflow in this category reached 100.1 million dollars compared to 60.7 million dollars during the same period in 1979. Therefore, there was a substantial increase of 39.4 million dollars or about 64 percent.

4. Other Private [Capital]: During the first 1980 quarter the capital inflow in this category reached 131.6 million dollars compared to 152.6 million dollars during the corresponding 1979 quarter. There was, that is, a drop of 21 million dollars or 13.8 percent. It should be noted that of the total inflow of 131.6 million dollars, an amount of 114.4 million dollars represents housing investments by Greeks abroad.

5. Change in Trade Credits Abroad: During the first 1980 quarter the trade credits abroad increased by 87.7 million dollars and on 31 March 1980 reached a total of 1,490.1 million dollars compared to the smaller increase of 15.6 million dollars during the same quarter in 1979.

Outflow of Private Capital Increased by 8.4%

During the January-March 1980 period (last available Bank of Greece data), the outward drain of private funds reached 411.7 million dollars compared to 379.9 million dollars during the corresponding first quarter of 1979. There was an increase, therefore, of 31.8 million dollars or 8.4 percent. By categories the structure of the private capital outflow during the January-March periods of 1979 and 1980 is as follows (in million dollars):

		January - March	
		1979	1980
1.	Law 2687--Productive Investments	4.3	7.8
2.	Private Entrepreneurial Capital	3.7	5.1
3.	Deposits in Foreign Exchange	362.0	389.4
4.	Other Private Capital	9.9	9.4
	Total	379.9	411.7

The above data show that the volume of the private capital outflow concerns deposit withdrawals in foreign exchange equaling an amount of 389.4 million dollars or about 95 percent of the total amount.

Finally, it should be noted that the net inflow of private capital (inflow minus outflow) during the first 1980 quarter reached 328.1 million dollars compared to 279.6 million dollars during the same period of the previous year, 1979 (a percentage rise of 17.4 percent).

Payments for Fuel Imports Increased Substantially

According to Bank of Greece data, the Fuel Balance for the January-October period of 1980 compared to the same period of the two previous years was formed as follows (in million dollars):

	January - February			% Change	
	1978	1979	1980	1979	1980
Foreign Currency Expenditure for Fuel Imports	961	1,714	2,394	+78.3	+39.7
Foreign Currency Income from Exporting Oil Products	136	316	195	+132.4	-38.7
Fuel Balance	-825	-1,398	-2,199	+69.5	+57.3

The preceding Bank of Greece data show that the net foreign currency expenditure for importing fuels (following the elimination of income from exporting oil goods) from 825 million dollars in January-October 1978 reached 2,199 million dollars during the same period in 1980. It increased, that is, by 1,374 million dollars or by 154.4 percent. The main reason for this increase in payments for fuels is due to the continuous price increases of crude oil during 1979 and 1980 which increases contributed to an adverse impact on the balance of payments of foreign accounts.

The following table by the Bank of Greece shows the development of the Current Trade Balance (without fuels) during the January-October period of the years 1978, 1979, and 1980 (in million dollars):

		January - October			% Change	
		1978	1979	1980	1979	1980
1.	Imports (payments & credits)	5,076	6,588	6,532	+29.8	-0.8
2.	Exports	2,236	2,852	3,268	+27.6	+14.6
3.	Trade Deficit	-2,840	-3,736	-3,264	+31.5	-12.8
4.	Net Invisible Resources	2,843	3,596	4,020	+26.5	+11.8
5.	Current Trade Balance	+3	-140	+756	--	--

The above analysis shows clearly that the proportionately large deficit in the Current Trade Balance is due to the imports of fuel and the price increases of the oil products.

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PCE TAMAMES REACTS TO CALVO SOTELO'S ECONOMIC PROGRAM

Madrid EL PAIS in Spanish 28 Feb 81 p 42

[Commentary by Ramon Tamames, professor of Economic Structure at the Autonomous University of Madrid and PCE deputy; passages enclosed in slantlines printed in boldface]

[Text] The story is very recent; the sound is still echoing in our ears, the image still etched on our retinas. Suarez' resignation on 29 January 1981 paved the way for the investiture of a new president. The candidate nominated by the UCD was finally proposed by the King to the Congress of Deputies, and after the assault on the Cortes, Leopoldo Calvo Sotelo was elected on the second ballot. As briefly as possible, we will try to present an analysis of the new president's economic policy.

1. /Maximum emphasis on the nuclear option,/ in the context of an "updated National Energy Plan (PEN)," which will certainly include new nuclear plants in addition to the 11 complexes currently under contruction (for a total of 11,465 megawatts) and the other three that are in the licensing phase (3,000 megawatts). Electric Unity, S.A. (UNESA), which has already been accredited in the drafting and discussion of the PEN, and has been restored to its privileged fiscal and financial position in terms of listed securities, will definitely have greater influence.

It is no surprise, then, that in his short speech during the investiture debate Calvo Sotelo completely ignored solar energy; nor did he make any reference to the possibilities of energy savings. The only apparent innovation on this issue is the promise (made back when the Moncloa pacts were signed) to form a National Hydrocarbons Institute. But such an idea can become a typical cosmetic operation, under the auspices of the inevitable "conditioning of the Europen Common Market." A single state enterprise would be created, and then, "to avoid discrimination against private sector interests," the large multinational oil corporations (the "seven sisters": Exxon, Shell, Mobil, etc.) would enter the picture in Spain. Perhaps in the end the apparent historical paradox would emerge: While one Calvo Sotelo (Don Jose, in 1927) created the Leasing Company of the Petroleum Monopoly, Inc. (CAMPSA) to avoid having a foreign monopoly, another Calvo Sotelo, Don Leopoldo, could open up the Spanish market once again to those same foreign interests, 55 years later.

2. Promise of /greater state contribution to the financing of Social Security,/ without specifying with what kind of General State Budgets. Of course, judging by all appearances, these would be more regressive than we could have imagined when fiscal reform was begun in 1977. But aside from the question of how this increased state contribution would be financed (a fundamental issue), we must bear in mind the complementary observation of Mr Calvo Sotelo to the effect that there will be a reduction in rates, to be compensated by an increase in the contribution bases. This could have a serious negative impact on small and medium businesses, which provide the most jobs and are now suffering the worst effects of Social Security.

3. /The invitation to begin a dialog with the unions,/ but without any clear commitment to negotiate. Previous offers are nothing but a recital of the issues, which are either more or less being handled already, or in other cases are not very promising, professional training, youth employment, interprofessional and geographic mobility, a lower retirement age and assistance to the unemployed. Actually, these measures are already reportedly part of the program of the Spanish Confederation of Business Organizations (CEOE) in its effort to facilitate the move toward giving companies the freedom to lay off workers.

4. /Proposals for wage adjustments./ Mr Calvo Sotelo, in his candidacy speech, made this crystal clear: Inflation must be stopped, /and business profits must be regained./ Even more clearly, the Democratic Center Union (UCD) will try to accelerate the process begun 3 years ago, guaranteeing that increases in productivity will keep ahead of real wages.

It must also be recalled that investment incentives, which have been handed out so freely, translated into the replacement of hands by machines, and of human brains by electronic ones, to a great extent. That type of investment does not create more jobs, but more unemployment.

The rightward shift of the UCD is definitely reflected in its own simple plan to solve the crisis: force surpluses, even if it means more unemployment, and curb inflation by holding down the cost of labor, but without any concern for halting the increases in the money supply (our currency having been inflated, to the benefit of banks and large checking accounts, for the recent liberalization of the financial system). Mr Calvo Sotelo's program makes no reference to the price of land, either. That commodity continues to be the object of widespread speculation, despite the provisions of Article 47 of the Constitution.

5. /Promises for industrial reconversion/ have been made since 1975. Now they are being withdrawn once more, without any innovative measures on behalf of the most seriously affected sectors (iron and steel, ship construction, textiles). What is evident is the provision for the future granting of greater facilities for companies to be able to get rid of their workers through the expedient of employment regulation, another euphemism for often massive layoffs (this is also in line with previous proposals by the CEOE).

6. In the two sectors that are currently suffering the most critical problems in the Spanish economy, /agriculture and fishing,/ Calvo Sotelo's promises were disappointing. On the one hand, he proposed to adapt Spanish agrarian regulation to the agricultural regulations of the European Communities. However, he did not

criticize the Community's agricultural reform program, which to a great extent would hamper Spain's potential. As for fishing, the new president merely expressed his approval of the treaties that are being obtained so painstakingly.

7. Among the provisions of the new economic policy there was considerable reference to /public sector planning./ But presented in that way, it seems to be nothing but a simple public investment program (PIP), similar to those that were "so laboriously" drawn up by Don Laureano Lopez Rodo between 1964 and 1973. Thus, the only consequence would be to rationalize state support for monopolistic capital through public commitments that would have nothing to do with the majority interests of the economy and the Spanish labor force, but would serve the interests of the large pressure groups: UNESA, the Union of Steel Industries and Entities (UNESID), the Spanish Association of Makers of Automobiles, Trucks, Tractors and Engines (ANFAC), the Columbia Broadcasting System (CBS) or transnational corporations.

/In short,/ the policy presented by Calvo Sotelo is consistent with what he represents in the Spanish financial world, which is growing increasingly dependent on transnational capitalism. The regressive nature of this policy can be seen in the points we already mentioned. But it is also apparent in the proposal to reduce public spending (by 30 billion pesetas); in the obvious refusal to take any step further on the three important taxes provided for in the fiscal reform (estate and donations, capital gains and value-added); and in its refusal to undertake the reform of public enterprises in order to use this sector to overcome the crisis.

Foreign Models

It was inevitable that in the parliamentary debate on the investiture there were comparisons with other countries concerning the possible consequences, already visible, of liberal policies such as the one proposed by Calvo Sotelo (which are actually the most conservative ones possible). The most comparable models are there: Mrs Thatcher's, with the resulting 2.4 million unemployed, sure to reach 3 million before the end of 1981, for an unemployment rate of 12.5 percent, the highest in the United Kingdom since the gloomy years of the Great Depression.

Concerning the "economic liberalism" across the Atlantic ("more up to date," stressed Calvo Sotelo), we are already familiar with Mr Reagan's economic program: public spending cuts, with the suspension of many subsidies, a 30 percent income tax cut, and new regulation of depreciation. The purpose of all this is to forcefully bring about business surpluses, and one of the major factors (which will especially favor the large conglomerates) is the increase in defense spending. By 1984 that sector will absorb 32 percent of the federal budget, as compared with 24 percent in 1980-1981.

Calvo Sotelo is definitely following in Reagan's footsteps in terms of favoring big business even more than before. Although the Spanish economy is in a comparatively worse situation, it is foreseeable-and we must try to avoid it--that in our case ("servata distantia," considering differences of scale) there will be a major increase in military spending. For that purpose, the UCD would have to get

Spain into NATO before 1983, which is another story. 1983 is a long way off, and that time will certainly not work to the advantage of the regressive program presented by Mr Calvo Sotelo. In a few weeks, months at the most, it will end in a new ritual of changes.

8926
CSO: 3110

DATASAAB SELLS TERCAS AIR TRAFFIC CONTROL SYSTEM TO USSR

Paris AVIATION INTERNATIONAL MAGAZINE in French 1-15 March 81 p 48

[Text] The inauguration in Moscow on 10 February of a new ATC [Air Traffic Control] system for handling air traffic marked the completion of a contract for 31 million Swedish kronor (71 million dollars), awarded in 1975 to the Datasaab Company in Jarfalla, Sweden (which now belongs to the Ericsson Group) for the installation of a complete automatic TERCAS [Terminal and En Route Control Automatic System] for air traffic control in the approach and terminal stages.

The system includes three TCC's [Terminal Control Centers]--in Moscow, Kiev and Mineral'nyye Vody (near Pyatigorsk in southern Russia) and an ACC [Area Control Center] in Moscow. A training simulator was also set up near Moscow.

The contract has been awarded by the state purchasing company V/O Elektronorgtechnika for the Soviet Ministry of Civil Aviation and Aeroflot, the national airline company. TERCAS uses the data supplied by various surveillance radars, certain units of which are provided as a subcontractor by the Italian Selenia SpA Company. The facilities for automatic supply of energy (without interruption) were furnished by ASEA [Swedish General Electric Corporation]. A Swedish construction company, BPA [Construction Production Company], helped to supply materials and construct buildings. Teli [Industrial Division of the Swedish Telecommunications Administration] supplied auxiliary oral communications systems for the training simulator.

The first unit to be supplied and delivered to users was the Moscow simulator which was put into operation in 1979 and has been used since then to train civilian air traffic controllers from the entire Soviet Union. The Mineral'nyye Vody and Kiev terminal control centers went into operation respectively in 1979 and 1980.

The Datasaab Electronics Company has set up ATC systems or simulators in France, Belgium, the Federal Republic of Germany, the Netherlands, the United Kingdom, Switzerland, Yugoslavia and Sweden. Other

contracts now being made in the same field involve air traffic control systems in Norwegian air space and also southern Sweden.

Negotiations are also in progress for increased cooperation in the same field with the Soviet Ministry of Civil Aviation.

The operational center hub of each TERCAS unit is based on a modular system of multiple computers designed by Datasaab, which processes and shows on a screen flight plan data and that provided by radar.

The simulator is controlled by a computer similar to the one supplied by Datasaab to the Swedish Academy of Air Traffic Operation near Malmoe in southern Sweden. It facilitates training of the rank and file or specialists and can simulate every procedure or every air traffic control system in any situation, including emergencies. It can also reproduce purely theoretical traffic demands, so that new operational procedures can be studied and tested without interfering with actual control.

Business

SAFT [Stationary and Traction Battery Compa affiliate of the CGE [General Electric Company] and number one in the world with the alkaline battery, is going to assume a 40 percent share of the capital of the RSI [Industrial Static Rectifier] Company. The association with a company with operations which are essentially complementary fits in with an increase of SAFT "energy system" operations. With the same objective, CIT-Alcatel, another CGE affiliate, is considering contributing to SAFT its "energy" sector which concentrates mainly on telecommunications operations.

Technology

Jolliett electronics is now developing new operations, which are different from aviation: communications transmitters-receivers in a hostile environment, telecommand systems, a morse decoder, etc. This new direction in a company which has specialized until now in radio equipment for light aviation was taken to cope with a decline of business in this field, aggravated by measures taken in recent years, elimination of buyers options, customs duties, which make competition more difficult with the large American producers of general aviation equipment. However, Jolliett has developed three new products which should be available, beginning this year.

A very high frequency JE-720 transmitter receiver, with standard frequencies, range up to 720 channels spaced 25 kilohertz apart; power 10 watts.

A JE-200 VOR/LOC receiver, with standard frequencies, range 200 channels; glide switching and marker receiver incorporated (option).

An RRB independent portable receiver, connected with a directional antenna for locating distress signals on the ground (sensitivity 0.075 uV ddp). This equipment was introduced at the Grenoble Exhibit in June 1980 (AVIATION MAGAZINE No 783, p 17).

8490
CSO: 3100

NEW ECONOMIC ARRANGEMENTS WITH LIBYA CITED

Istanbul TERCUMAN in Turkish 12 Feb 81 p 5

[Text] The sixth-period protocol prepared by the joint Turkish Libyan Economic Commission has been approved by the Council of Ministers and has been put into effect. The protocol improves upon the existing commercial, economic and industrial relations between the two countries and facilitates the handling of problems of labor force, social security and contractor relations as well as international banking relations.

Joint Projects

As spelled out in the protocol the formation of joint companies is to be expedited in fields of maritime transportation, agriculture, animal husbandry, engineering and advisory services, construction, administration and industrial investment.

It has been decided to establish air service between Turkey and Libya on a six days a week schedule. Moreover work is to be started immediately on establishing direct telephone connections between the two countries.

Commercial Relations

According to the protocol, Turkey is resolved to participate in a major sense in the international fair which is to be held in March of this year in Trablusgarp.

Furthermore the Libyan People's Socialist Republic is to open a permanent trade center in Istanbul. According to information obtained from Ministry of Trade officials work in preparation for this event is nearly completed. The center is expected to go into operation this spring. With the opening of this center Libya will be in constant touch with the Turkish private sector and it is expected that it will be easy to increase both the variety and amount of export goods.

In giving information regarding the trade center to be opened in Istanbul Ahmet El Atras, Secretary of the Libyan Foreign Ministry, said the following:

"It is our greatest desire to expand commercial relations between Turkey and Libya. During the past five years trade between our two countries has shown a great improvement. Actually, from the standpoint of our commercial relations we are not imposing any ceiling. A very broad market exists in Libya for Turkish agricultural and industrial products.

"Turkish exporters possess very little knowledge regarding Libyan markets, and Libyan importers know equally little about Turkish goods. We resolved to set up a trade center in Istanbul in order to alleviate this lack of information. In the days ahead this trade center will serve all the Balkan and central European countries and will offer all manner of facilities to exporters. We are convinced that the Turkish government also will demonstrate the required support."

Goods to be Exported

As stipulated by the protocol, Turkey is to export the following goods to Libya: 250 thousand tons of wheat, 100 thousand tons of barley, 30 thousand tons of olive oil. Apart from these official commitments the Turkish private sector is going to be exporting items like ready made clothing, textiles, building materials, lumber, cement, iron bars, electrical household applicance, carpets, leather goods and animal feed. Fifty thousand tons of wheat is slated to be sent during March.

Contractor Services and Transfers

The protocol provides that meetings shall be called in Turkey to work out solutions to any problems which might hinder the smooth handling of payments relating to commerce, services and the transfer of workers' wages.

To insure that workers' savings reach their families as soon as possible Libyan banks are to open foreign exchange accounts in Turkish banks and will make instantaneous transfers.

Moreover in this way letters of credit can be established in order to facilitate trade relations and Turkish exporters will be assured of timely payment for their exported goods.

Turkish firms are currently doing business in Libya at a level of 2.5 billion dollars. From now on under the protocol such activity will be governed by direct exchanges of letters of guarantee.

9353
CSO: 4907

EUROPEAN LEFT MEETS IN MADRID TO EXCHANGE IDEAS

Bipolarity Is Main Concern

Madrid MUNDO OBRERO in Spanish 20-26 Feb 81 pp 24, 25

[Article by Manuel Torres]

[Text] "The foundations and research centers signed below, because of the worsening of the international situation, have considered it appropriate to arrange and organize a European conference on security, cooperation and human rights, in which they are inviting the participation of other organizations dealing with international problems, political officials and specialists on these matters."

This was the text of the invitation to the meeting which was held in Madrid on 13, 14 and 15 February. Among the organizers of this conference were the following organizations: Friedrich Ebert Stiftung of the FRG, the Pablo Iglesias Foundation of Spain, the Foundation for Marxist Research of Spain, the Socialist Study and Research Institute of France, the Center for Mediterranean Studies of Greece, Wiardi Beckman Stichting of Holland, the Bertrand Russell Peace Foundation of England, the Institute for International Political and Economic Cooperation of Italy and the Center for the Study of International Politics of Italy.

During these 3 days persons affiliated with the European left examined the problems of the present international situation, possible solutions for the current crisis in which the confrontation of military blocs has plunged today's world, and possible ways for achieving a true detente in Europe. All this was done within the perspective of a series of discussions which can serve as a basis for more active meetings, but which will already help to sensitize European public opinion, and encourage greater participation by the citizens on issues that so greatly affect them.

Overcoming the Division Into Blocs

Along with political officials from West Europe, there were also representatives from the Communist League of Yugoslavia. They were in agreement on the worsening of the international situation, because of the heightened confrontation between the military blocs, along with the bipolarity that this confrontation has brought to the international scene.

Among the salient features of this new period of cold war, the various reports mentioned the decision by NATO to install Cruise and Pershing II missiles in Europe, the Soviet armed intervention in Afghanistan, the deadlock in the talks on arms limitation, the increase in U.S. military spending, and the new anti-Soviet policy of the new U.S. leaders.

According to the Portuguese Col Melo Antunes, a member of the Revolutionary Council, it is the bipolarity of the present situation which poses the greatest danger to peace; this bipolarization has slowed down the democratization of social and international relations. And according to Yvonko Grahek, the deputy chairman for international cooperation of the Communist League of Yugoslavia, this state of bipolarity has characterized the international situation since the signing of the Helsinki agreements.

This situation of bipolarity, to which we must attribute the events just listed, has a negative impact on the sovereignty of each nation. Jaime Ballesteros, a member of the executive committee of the PCE [Communist Party of Spain], described these negative effects as follows: "The division of the world into two blocs which, in addition to making each conflict extremely serious for the entire world, has another consequence which we can not ignore: the tendency to reduce the sovereignty of all nations under the pressures exerted by both bloc leaders on each of their spheres of influence. The present world system, based on bipolarity, has led to limited sovereignty all over the world. This tendency causes all peoples and all states to be enrolled in the service of bipolar tensions. And we must not forget that these tensions today are nuclear tensions."

No Agreement on Solutions

While all of the participants agreed on their analysis of the problems, unanimity was much less evident when it came time to suggest solutions for these problems. It could not be otherwise, since these contacts are just getting started, and given the variety of political affiliations of the participants; their diversity was apparent in the variety of methods proposed for dealing with this situation of confrontation between blocs.

All things considered, the meetings were positive, as Romano Ledda, the director of the CESPI [Center for the Study of International Politics] and a leader of the PCI [Communist Party of Italy], points out in the following interview. For these meetings made possible an exchange of ideas without entailing a rigid posture of confrontation between European socialists and communists.

The Mediterranean Issue

From greater European participation within NATO, proposed by the Italian socialist Claudio Signorile, to the strengthening of the role of the nonaligned countries, advocated by the Yugoslav communists, the solutions were varied, although there was a definite common ground on European disarmament.

Within this perspective, the neutralization and denuclearization of the Mediterranean was considered one of the major objectives to be achieved by the socialist Jose Miguel Bueno. This was also stressed by Jaime Ballesteros when in his report he pointed out that a hypothetical war in either of the two areas of Europe and the Mediterranean would definitely have repercussions on the other.

On this subject, the report of the Greek delegation said that: "The experience we have acquired on the indivisibility of detente takes on special significance in the case of regions close to the Mediterranean, especially in the case of Europe. Any omission about the Mediterranean dimension of European security and cooperation may often be considered justified to the extent that they are trying not to add complex problems to a European package that is already overloaded, but in our opinion this is a symptom of an underestimation of the crucial importance of this region for the peace and security of Europe, or rather, of the predominance of the logic of blocs, which creates a division into watertight compartments of the confrontations and conflicts within a perspective not of detente, but of confrontation."

Spain's 'No' to NATO

Another of the widely accepted objectives was the need to oppose the escalation of already existing tensions. And on this subject, the nonentry of our country in NATO, there was absolute unanimity between the political leaders of the PCE and the PSOE [Spanish Socialist Workers Party].

Manuel Azcarate, chairman of the PCE's international commission, discussed this issue for MUNDO OBRERO: "This is a point on which there is agreement between socialists and communists. In my statements, I tried to point out not Spain's own reasons, but that the entry of Spain in NATO would be contrary to the interests of

European security. And it seems quite significant to me that when a German deputy did not understand this issue, it was our comrade Moran (a PSOE senator) who answered him."

Luis Yanez, a PSOE deputy, spoke in a similar vein: "The crucial issue for us--Spain's membership in NATO--would have repercussions on the general climate of detente in Europe. Our opinion is that this would mean an increase in tension and therefore a worsening of the arms race."

Interview With PCI Leader

Madrid MUNDO OBRERO in Spanish 20-26 Feb 81 p 25

[Interview with Romano Ledda, leader of the PCI and director of the CESPI; date and place not given]

[Text] Question: Could you sum up for us your impression and your party's impression of this meeting?

Answer: We on the left have to get used to this type of meeting which, while it has all the political authority of official delegations, is at the same time a meeting to exchange ideas, to explain our positions, without at all costs trying to reach a final document, or resolutions which would be impossible during a phase in which discussions are still going on. It seems to me that this meeting was also significant in the area of content. There was a real political debate on decisions which at times were quite different. But it does seem to me that the most important thing, from the political point of view, is that there is now an awareness on the part of the European left of the dimensions of the problem, of the gravity of the situation in which we are involved. Another reason for satisfaction is that it seems to me that we all have the intention and the desire to continue this type of exchange of ideas.

Question: Was there any great similarity of opinions among the communist parties, the socialist parties and the social democratic parties at this conference?

Answer: I think that this meeting has demonstrated a reality, a truth of which we Italians have been aware for some time: that is, there has always been the image that the debate on the European left goes on between communists on one side and socialists and social democrats on the other side. But this conference showed that the debate involves both communists and socialists. The most positive and most significant fact is that this entails a search on the part of everyone, whether they are communists, socialists or social democrats.

This point does seem important to me. The left is no longer holding discussions with the communists on one side and the socialists on the other; the communists and the socialists all discuss issues together and there are differences which arise between communists and differences between socialists.

Question: The Mediterranean issue is of great concern to the Italians and to the Spanish; nonetheless, it was not a very central issue in this conference. This showed the need for another type of conference in which the countries involved in the issue can take part.

Answer: I believe that the Mediterranean issue is an issue of tremendous importance, because we can't consider the security of Europe without having security in the Mediterranean. I think we may be able to decide on specific initiatives to be taken on the Mediterranean issue by inviting Arab or African representatives to discuss these problems, but I also think that these will be completely separate initiatives.

7679
CSO: 3110

PQ CABINET CHANGES SAID TO SHIFT CENTER OF GRAVITY

Montreal LA PRESSE in French 14 Feb 81 p A 7

[Article by Marc Laurendeau]

[Text] With the departure of several ministers of a more idealistic temperament, the composition of the PQ [Quebec Party] government is gradually changing. The center of gravity is shifting toward the tacticians, the "realists" of the Quebec Party. The recent decision of Mrs Lise Payette not to seek reelection as a deputy must be considered with certain reservations, in fact. It was preceded by ministers Jacques Couture and Guy Joron leaving office last September. In August 1979 it was Robert Burns who left the cabinet. Not to mention the other departures for different reasons, those of Rodrigue Tremblay and Louis O'Neil in October 1979.

One can see that the PQ cabinet has markedly changed since its formation in the fall of 1976. Lise Payette, despite her past links to the entertainment world, took her ministerial duties very seriously. Slowly, by means of her unglamorous but dedicated work, she led the automobile insurance reform to a successful conclusion. Within the cabinet, she won victories for women, particularly in getting the civil code reform adopted and getting women nominated for high civil service jobs. Prime Minister Rene Levesque did not seem to deal harshly with her over the "Yvette" episode, since at the time of the first shake-up (when the legislature resumed in the fall), he had promoted her to minister of state for social development. She says she is quitting because she has had enough of hearing about renewed federalism, when what she would like to promote is sovereignty. In her eyes, the struggle for women's equality seems to have peaked.

The departures of Guy Joron and Jacques Couture must be seen in the same perspective. In his letter of resignation, Guy Joron said that he had not gone into politics in order to make a long career, but to "serve an ideal." The Westmount financial analyst, the PQ's conscience in the midst of affairs, added: "It is time to try something new." Jacques Couture, for his part, was an excellent minister of immigration (he had in fact shown himself too idealistic in Labor), deeply sensitive to humanitarian causes. At the very moment when Quebec was beginning to wake up to Third World problems, Jacques Couture treated those questions with credibility and consideration for the misery of other peoples. He quit abruptly to rejoin a religious community.

The case of Robert Burns is rather different. Health reasons, following a heart attack, undoubtedly come first. But one should add, not too far behind them, a certain disappointment that Mr Burns has experienced. He did not succeed in getting the cabinet to adopt his electoral reform providing for proportional representation (which is in the platform of all three parties, the PLQ, the UN, and the PQ). Though he was the author of the popular consultation bill, Mr Burns was under-utilized in his responsibilities as minister of state for parliamentary and electoral reform. A true incarnation of the populist and syndicalist current in his party, Mr Burns no doubt would have been more at his ease with a more socially oriented portfolio. We would also add several reasons thrown unexpectedly to the press, the memory of which he has not completely succeeded in effacing: he thought the PQ would lose the referendum as well as the next general election; he did not want to be there when that happened.

It is hard to determine if such motives inspired the other ministers to quit. It is not impossible, to varying degrees. We would stress, however, that Mrs Payette was there at Mr Levesque's side the night of the referendum to suffer the defeat of the sovereignty option. In July 1979 Mrs Payette said in an interview about the referendum: "If it is defeated, I am going home." She is keeping her word. Louis O'Neil, former minister of communications, is in a different situation. Another minister with a reputation as an idealist, he fell into disgrace with Mr Levesque. In a rather harsh letter, Claude Morin reproached him for having described the federal government as a "foreign government," for having thereby embittered relations and laid himself open to criticism. Though he was subsequently on the Committee of Nine, responsible for preparing the party's constitutional position after the referendum, Louis O'Neil remains an obstinate supporter of independence pure and simple. Even though he accepted his demotion with great dignity, some regional PQ organizers seem determined to have him supplanted as the PQ candidate in his country, since they are trying to run a strong candidate against him. As for Rodrigue Tremblay, a very talented economist, there were human relations problems with his colleagues. That led him to a simultaneous resignation and expulsion. Perhaps he might become a liberal candidate, but Mr Ryan would then have to overlook the rude polemics in which the two indulged in DEVOIR. Mr Ryan may also fear the economist will have a fresh seizure of ill-temper. One thing is certain, Mr Ryan will not accept him into his party without subjecting him to a certain probationary period.

For the moment, despite the entry into the cabinet of new ministers more easily ranked among the idealists (Gerald Godin, Clement Richard), it is the shrewd tacticians who are dominant within the PQ cabinet. Claude Morin and Marc-Andre Bedard both have the ear of the prime minister. For his part, Mr Jacques Parizeau, who is also highly respected and remains a supporter of independence, believes that ties to the rest of Canada should be fashioned differently from the association called for by the PQ in the referendum. The West could prove to be the principal economic partner, according to Parizeau. Using one of those striking formulations he knows how to forge, Parizeau said that "Canadian petrodollars are writing a new constitution."

The series of departures leads one to suspect a certain effoufflement [as published]. For the causes championed by the party will doubtless yield to new struggles.

Nationalism, instead of being primarily cultural, will perhaps become the cause of francophone businessmen trying to assert themselves. The traditional objectives of social democracy (protection of workers, development of the state) will yield perhaps to new leftist campaigns oriented toward the third age, ecology, women, etc. After a period of pragmatism, the PQ will perhaps harden its line toward Ottawa, especially if constitutional change continues to be treading water. A profound alteration has already begun. The series of resignations are a reflection of it.

9516
CSO: 3100

OBSERVER SEES DANISH CRISIS AS REALLY AN SDP CRISIS

Copenhagen BERLINSKE TIDENDE in Danish 24 Jan 81 p 11

[Commentary by "Monitor": "The State of Affairs"]

[Text] The Prime Minister has admitted that the Social Democrats must sell out its principles if the profound characteristics and forces of the crisis are to be changed. It is therefore handy to speak of "the new state of things" before many discover that the "crisis" is in reality a Social Democratic crisis.

"Give a problem a name and you have it." The actor Erik Wedersoe called these words to our attention on several occasions. Whether this inspired Anker Jorgensen in 1981 to speak of "the new state of affairs" instead of the "crisis" is unknown. But regardless of who is behind the new word choice it is worth considering what the words mean.

The word "crisis" in itself produces a challenge. A crisis must be fought and extraordinary steps must be taken if required. Parts of the political system have for years sought to maintain that in what is called the capitalist system there crisis is built-in, inevitable andinsurmountable unless the class struggle is brought to an end with revolution. The crisis is an outward sign that capitalism has reached its culmination and the bankruptcy from which the working class must be ready to seize power to bring into being a socialist society.

In their conscious choice of a revisionist ideology, the Social Democrats have rejected doctrinaire Marxism's crisis concept and inevitability tenet. The party has acknowledged that everyday politics is not a class struggle but development of society in both social and democratic respects. Earlier crises have certainly been inconvenient for this development, but have not been taken as signs that the course laid out was or is wrong. On the contrary, the crisis of the 1930's contributed greatly to creating the picture of the Social Democrats as the responsible party that found the way out of bad times. If 1974 is regarded as the year when economic progress stopped, 1981 will be the year when economic setback lasted longer than that of the 1930's.

The prime minister therefore has good reasons for changing the wording. He and his party cannot in the long run live with the term "crisis" being assigned to the process or the conditions that he and his party are to administer. They have led to and will continue to lead to a credibility gap between the party and the voters.

A crisis appeals to a revolt or a revolution. The state of affairs is resistant in nature. A lengthy struggle against an inflexible crisis leads to a wearing down. An administration of and adjustment to a condition of affairs can continue to be an exalted task, both in the social and democratic sense.

On the ideological level, therefore, there are good reasons for turning Erik Wedersoe's words upside down: "Forget the name of a problem and you have removed it." This is what Anker Jorgensen asked the nation to do when on 1 January he made his New Year's speech. Do not say "crisis," call it "the new state of affairs." Anker Jorgensen did not thereby lay himself open to the charge of trying witchcraft; rather he accepted a reality, the acceptance of which can very well seem like a handy trick.

The handiness lies in the fact that the new words can be useful for differentiating manageable and unmanageable conditions while current policy has been unable to resolve the crises -- neither the foreign debt nor the employment problems. Policies can be carried out against manageable conditions, but those directed against unmanageable conditions lead only to the voters' loss of confidence in those elected. If reasonable proof shows that essential aspects of the state of affairs are unaffected by political decisions, the crisis is no longer a crisis but a condition with some side-effects. What then, are the conditions that cannot be affected?

For almost twenty years tendencies in the labor market have been fixed. Workers have left farming. There has been a relative reduction in the number employed in other production activities. There has been a great influx in the public sector. The growth in the labor force caused by the great number of young people seeking jobs and the entrance of women into the labor market has on the whole gone to the public sector.

The first element in a description of the state of affairs is, therefore, that despite good intentions, it has not been possible to produce significant changes in the built-in tendencies of the labor market. Labor goes to the public sector because the educational system points in that direction, because the pay and the job security pulled that way for many years, because the work is often pleasant, and because the growth in the public sector should have financed, among other things, the production activities that should have been used to create new jobs.

For some years there was no special reason to fear these tendencies. The influx into the labor market was high, and it was demanded of the politicians that they expand the public sector. But from the moment economic growth came to a standstill it became apparent that development was on the wrong track. Since the end of the 1960's every responsible expert has pointed out that the development was on the wrong track. Nevertheless, it has been impossible to get off that track. the inflexibility of the labor market tendency is apparently an established feature of the state of affairs.

Beginning in the middle 1980's the influx into the labor market will decrease significantly. When we enter the 1990's, influx and departures will on the whole be in balance. If the trend in the labor market remains steady, the public sector will continue to grow, but it will be impossible to find labor for private enterprises. Even Gyda Uldall will have difficulty in keeping up. Many computers and microprocessors will be needed to replace labor shortage that will exist in the commodity-producing links. At the same time -- and because the production does not provide

the economic basis for new growth -- public personal consumption will continue to grow, while employees in the public sector will no longer be able to render service to the citizens, for there will be nothing left over but their pay [sic].

The following description of a future development belongs in the description of the state of affairs. Population developments are inexorable. Our current employment problem overshadows the immediate future. It paralyzes the government's ability to act. As long as there is an employment problem, the public sector will continue to grow. When the tide turns, it will be too late to affect society. Before anyone realizes it, unemployment can turn into a labor shortage. Whether the harmful economic effects will be greater in one or the other of these employment problems is an open question. In either circumstances, the harmful economic effects will be great.

The inability to control the labor market and the inexorable population development hit the Social Democrats, who themselves belong in a description of the state of affairs and who, experience shows, must be included among conditions that cannot be affected. To the Social Democrats belongs the honor of having built the welfare society. Faced with the fact that profound social forces are touched should welfare be adjusted to possibilities, the party retreats. Anker Jorgensen has come to personify the new state of affairs. He has acknowledged that the crisis has become a condition. He has acknowledged that the condition is unpleasant, almost reminiscent of an abyss. He has acknowledged that the Social Democrats must hold a male if the profound characteristics and forces are to be changed. It is handy, therefore, to speak of "the new state of affairs" before it is discovered that the "crisis" is really a Social Democratic crisis.

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PRO-PRC PARTY PREPARES PLATFORM FOR NEW CONGRESS

Copenhagen ARBEJDERAVISEN in Danish 14-20 Jan 81 p 3

[Article, "Discussion of New Platform Most Important Task for KAP Before Third Congress"; passages enclosed in slantlines printed in boldface]

[Text] /Initially, defence policy and municipal policies will be the subjects of discussion in the KAP (Communist Workers Party). Next will be a new program of principles and the reform policy. In close connection with these discussions, initiatives will be taken to improve the internal life and democratic discussion in the party./

These are some of the most important decisions made at the first meeting of KAP's newly elected central committee. The central committee was organized at the meeting with election of a business committee, including, among other things, two full time secretaries to handle the day to day work. The two secretaries are Peter Arctander and Peeter Sondergard. Benito Scocozza was re-elected chairman.

No representatives of the faction of the party that recently held a congress and in the debates had been most critical of the former party leadership were elected to the business committee.

New Platform

Concerning the congress decisions, the central committee agreed that the decisive question for the party in the coming congress will be development and discussion of a new platform in answer to the political and ideological crisis in which Marxism-Leninism finds itself internationally, and which to a high degree marks the KPA as well. In accordance with these discussions, there is to be improvement in the party's process of democratic centralism. These discussions are to continue the discussions that began in the party almost a year ago.

Defence and Municipal Policies

Some months will pass, however, before proposals and plans for such a debate are worked out. In the interim defence and municipal policies will be on the agenda. Against the background of a new, concrete proposal for a defense policy platform and on the basis of the discussion proposal by the business committee, a discussion is to be carried on in the party, which, it is hoped, will result in the adoption of a defence program within a couple of months. The KAP would then have the opportunity to take a strong stand in the Danish defense debate.

Within a relatively short period of time the continuing discussions on municipal policies will once more be under way. This also will take place against the background of the recent congress's decisions on whether the KAP is to take part in the November municipal elections. The purpose of the discussion is to enable the party to adopt a municipal policy action program and to clarify the main problems and questions of principle in the municipal policy area at a conference on municipal policy in the spring.

Reform Policy

In addition, at the central committee meeting support was given to a proposal, in connection with the platform discussions to seriously start the debate on how the party can formulate a revolutionary reform policy.

It was left to the new business committee to implement the concrete proposals for improving the internal life of the party as adopted by the congress.

Thirty-Seven Percent Women

Thirty-seven percent of the members of the newly elected central committee are women. Thus the congress more than met the goal of having one-third women in the leading organs. This goal was met in the business committee as well.

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CSO: 3106

PAPER COMMENTS ON GLISTRUP PARTY'S SURPRISING POLL GAIN

Copenhagen BERLINGSKE TIDENDE in Danish 1 Feb 81 p 14

[Editorial: "Ten Years"]

[Text] With his well-developed ability to provoke reactions, Mogens Glistrup said ten years ago that despite a high income he had exploited tax legislation in such a way that nothing was withheld for income tax. He added that he regarded a tax cheat as he did a railroad saboteur. The provocation deeply affected Danish tax policy and tax debate, but was nothing compared to the challenge issued the country when the Progress Party in one fell swoop mobilized 485,000 votes on December 4, 1973. No matter how one assesses the matter, it was unique that thus far firmly established, stable party patterns could go down the drain on a single election day. A tenth anniversary is not normally an occasion for evaluating accomplishments, but the challenge that created a movement and the long series of challenges to which the movement has exposed the country also presents a challenge to correctly interpret the protest voiced when Mogens Glistrup decided to challenge accepted standards and -- as it proved -- worn-out truths.

As time has passed the explanation must be rejected to the effect that the movement, as well as its half million voters, reacted spontaneously and without premeditation. They acted as they did and stood by their actions in subsequent elections because for a long time they had worked themselves into a state of desperation over a tax burden that financed a great and growing public consumption. Their desperation was not lessened when the period from 1968 to 1971 helped force through a change in the political system which did not result in a changed society. It was this wave of anger, disappointment, and need to revolt that Mogens Glistrup observed and knew how to play upon. He still rides and controls that wave to a degree that seems inexplicable to an outsider. It is part of the Progress Party's political position that it has never really gotten farther than where Mogens Glistrup put it with his first challenges. The party and the leader of the campaign still prefer the role of the court jester, who in the princely courts of yesteryear spoke the truth in outrageous terms while covering himself with the mask of the jester and challenger. Others have seized upon and made their own some of the truths the party has discovered and have introduced them into practical politics. The court jester is there in his tenth year. But without new truths the jester's role becomes empty.

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CSO: 3106

RIGHTS LEAGUE CAMPAIGNS AMONG MILITARY

Paris LE MONDE in French 19 Feb 81 p 12

[Text] The League of the Rights of Man and the Rights and Liberties Committee in the Military Establishment* have decided to associate themselves with an initiative launched by certain soldiers' committees in eastern France which calls on those to whom it is addressed to send post cards to all presidential election candidates demanding "weekly leaves recoverable in the event they are on duty" and the freedom to express themselves freely and assert their rights.

Presented to the press, this post card reproduces several articles from the Universal Declaration of the Rights of Man, specifically "the right to freedom of assembly and peaceful association" and "the right to rest and recreation."

Several organizations: the PSU [Unified Socialist Party], the CFDT [French Democratic Confederation of Labor], the Communist Revolutionary League, the Young Socialists and the Information for Soldiers' Rights (IDS), have decided to contribute to the distribution of this card.

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*Rights and Liberties Committee in the Military Establishment (DLIM), 27 rue Jean-Dolent, 75014 Paris.

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BRIEFS

RESOLUTION 242 OUTDATED--France thinks that UN Security Council Resolution 242 is outdated and "unusable" and that it is incomplete in that it has not taken into account the legitimate rights of the Palestinian people. This was stated by official circles in the French Ministry of Foreign Affairs. These circles believe the appeal by the nonaligned countries conference in New Delhi for European recognition of the PLO may find attentiveness in France, but they emphasize that for France the PLO is not the sole representative of the Palestinians but instead constitutes one of its "components." France very strongly opposes the nonaligned conference's appeal to expel Israel from international organizations and not to renew the mandate of the Israeli delegations because of the annexation of Jerusalem. These circles stated that France, "on the contrary, encourages Arab countries to recognize Israel; and France is interested in safeguarding Israel's security." [Text] [TA131136 Tel Aviv DAVAR in Hebrew 13 Mar 81 p 2]

CSO: 4805

NORDLI TO BE VICE-CHAIRMAN OF LABOR STORTING DELEGATION

Oslo AFTENPOSTEN in Norwegian 4 Feb 81 p 5

[Text] After the change in government today both Prime Minister Odvar Nordli and Trade Minister Reiulf Steen will return to the Storting as representatives. According to AFTENPOSTEN's information, the Labor Party Storting's group is considering letting them each take over one of the two tasks the new head of government Gro Harlem Brundtland had: Nordli as vice-chairman of the group and Steen as chairman of the Foreign Affairs Committee.

The group's election committee will state its position on these appointments, among other things, on Friday. A third top post, the chairmanship of the Industry Committee, has also been vacated by the new industry minister, Finn Kristensen.

In party circles it is considered probable that Odvar Nordli is assured a position in the group's steering committee as vice-chairman, even though he has just returned to his work in the Storting before taking sick leave for several months, and even though the chairman of the group Trygve Bratteli gradually has begun to play a lesser role toward the end of his long political career. The consideration of such a position for Nordli must probably be seen in connection with the fact that certain circles believe that Reiulf Steen should now become the group's vice-chairman--and that a new parliamentary leader will be elected this fall.

Apart from Bratteli, the group's steering committee now consists of Kjell Magne Fredheim, Guttorm Hansen, Gunnar Berge, Rolf Fjeldvaer, and Liv Andersen. In any case, Steen will appear there as chairman of the Labor Party.

Both in party circles and among political observers in general, it is believed that the outgoing trade and shipping minister will again become chairman of the Foreign Affairs and Constitution Committee.

With regard to the chairmanship of the Industry Committee, committee member Arve Berg, More and Romsdal, is considered to be the leading candidate.

[Caption] Outgoing Trade Minister Reiulf Steen will probably return as chairman of the Stortinget's Foreign Affairs Committee. Behind him is the chairman of the Finance Committee, Gunnar Berg.

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BRUNDTLAND READIES NEW CABINET APPOINTMENTS

Oslo AFTENPOSTEN in Norwegian 3 Feb 81 p 3

[Text] Gro Harlem Brundtland, 41, will become our new prime minister, the first woman to become prime minister in Norway and the Nordic countries. In informed party quarters and political circles, it is generally assumed that the deputy chairman of the Labor Party will today be asked by the King to form a new government as Odvar Nordli's successor. Gro Harlem Brundtland is expected to receive broad support as the new chief of government from the state government, the local government and the Storting group of the Labor Party. According to informed sources, Minister for the Environment Rolf Hansen is now only, as a matter of formality, candidate for the post of prime minister. The prime minister change is scheduled to take place at noon next Wednesday after the new government under the leadership of Gro Harlem Brundtland has been appointed in an extraordinary cabinet meeting tomorrow at 10 a.m.

According to reliable information received by AFTENPOSTEN, the future prime minister was already yesterday evening busy making her list of cabinet appointments.

According to reports, there will be at least three new cabinet ministers, and Gro Harlem Brundtland is reported to be prepared to let a few of the cabinet ministers who continue in office change ministries. The list of the new government appointees is expected to be ready for publication at a press conference to be held at noon today after Gro Harlem Brundtland has been appointed prime minister by the King.

As far as AFTENPOSTEN has learned, Minister of Justice Oddvar Berrefjord has asked to be replaced despite the fact that he has this time only held office for a few months. The Norwegian Broadcasting System, in its latest news broadcast yesterday, reported that, in addition to Berrefjord, Minister of Industry Lars Skyteen and Minister of Trade Reiulf Steen have asked to be replaced.

As far as AFTENPOSTEN understands, Gro Harlem Brundtland yesterday assumed that she will have to have her list of cabinet appointments ready today.

It seems clear, however, that she would have liked to have more time for composing her government, but that the circumstances have made this impossible. As far as we understand, Gro Harlem Brundtland will endeavor to get more women into the government, and we have reason to believe that yesterday she was in particular looking for a woman to take over as minister of justice.

It was expected in advance that there would be no major changes in the government composition in order not to create too much commotion in connection with the prime minister change. The short time in which the change is taking place also precludes any major and too complicated change of government.

If, according to the reports, the party chairman--like former Prime Minister Odvar Nordli--will be going back to the Storting, this may be connected with the fact that two important jobs will become available in the Storting after Gro Harlem Brundtland: As is well-known, she is today both deputy chairman of the Labor Party's group in the Storting and chairman of the Foreign Policy and Constitution Committee. The question as to who will be taking over these posts has, as far as we have learned, been discussed, however, without any new names having so far been mentioned.

More than 90 percent of all the cables, statements and resolutions which yesterday arrived at the headquarters of the Labor Party at the Young Square showed that there was a 'party storm' to get the deputy chairman of the party, Gro Harlem Brundtland, appointed the next prime minister.

The statements and the cables came from individuals, from county party organizations, local groups and district organizations within the women's organization and the Workers' Youth Organization, in addition to a few major urban parties. The reactions come from the entire country, and political circles are somewhat surprised at the spontaneous and apparently well-organized action at such a short notice. But the party's headquarters stated that stronger reactions have been experienced previously, for example in connection with the issue of advance storage of nuclear weapons.

Minister for the Environment Rolf Hansen was supported in a small number of declarations of support from a few municipalities, whereas Bjartmar Gjerde and Reiulf Steen were recommended only by a few who sent in their declarations of support yesterday.

In the course of the early morning and mid-morning hours, the different bodies of the Labor Party will meet to discuss the prime minister change. The central committee of the party will meet at 9 a.m., the national committee will meet at 11 a.m., and the Storting group of the party at 1 p.m.

Subsequently, the resigning prime minister, Odvar Nordli, will proceed to the King and will refer His Majesty to Gro Harlem Brundtland. At around noon, the country's new prime minister will then be meeting the press. The appointments of the country's new prime minister and government are scheduled to take place in an extraordinary cabinet meeting presided over by the King on Wednesday.

Political circles yesterday discussed the motives of the press office of the Labor Party for issuing its report on Nordli's resignation last Thursday evening. Regardless of motives, it seems clear that the report from the Labor Party has directly influenced the possibilities of Prime Minister Odvar Nordli for appointing the new prime minister on a free basis, a circumstance which in the future may become the major complaint within the party circles against the course of action taken by the press office.

Hardly Any New Political Course

Gro Harlem Brundtland will meet with sympathy in her work to solve the problems both in connection with the government of the country and within the Labor Party, the parliamentary leader of the Conservative Party, Kåre Willoch, says in a comment on the forthcoming prime minister change. Willoch sees little reason to expect any important political changes in the policy pursued by the government.

Kåre Willoch goes on to say: "But I am afraid that the uncertainty and the lack of clarity which have become such a big problem, not only to the party but also to the country, will reappear since we have got such a split party as government party." Willoch says that the Labor Party will probably give the appearance of agreement on its actions for a few months after the prime minister change. But that is not enough, he points out.

The parliamentary leader of the Conservative Party does not believe that the government question will become a more central issue now with a new prime minister.

"If so, it must be in a different way than the Labor Party has hitherto imagined. What happens now, of course, reconfirms the fact that there are greater internal problems within the Labor Party than within the non-Socialist parties," Willoch stresses.

The parliamentary leader of the Conservative Party believes that the issues in the election will be the same as those we have previously had in mind, i.e. the exaggerated restrictions, the inflation, the bureaucracy, the weak economy despite the oil revenues, and the uncertainty within the Labor Party with regard to the security policy.

The parliamentary leader of the Christian People's Party, Lars Korvald, says that the prime minister change may be of significance if it means a renewal of the government. There will hardly be any political changes, but the change of prime minister may result in an immediate progress for the Labor Party, he states.

The parliamentary leader of the Center Party, Johan J. Jakobsen, stresses that the government policy will remain the most important thing, but he adds that the prime minister change may, for a short period of time, divert the attention from the policy pursued by the Labor Party and the effects of that policy.

The parliamentary leader of the Liberal Party, Hans Hammond Rossbach says that the government will be granted a respite because the prime minister who will be appointed will be given a chance. "But there probably will be no change of political course," he says.

The parliamentary leader of the Socialist-Left Party, Hanna Kvanmo, states in the news broadcast of the Norwegian Broadcasting System that she does not either expect any changes in the policy pursued by the government, but that the change of prime minister may give the Labor Party more courage in the election campaign.

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BRUNDTLAND MAY HAVE CONTEST WITH STEEN FOR PARTY CONTROL

Helsinki HUFVUDSTADSBLADET in Swedish 4 Feb 81 p 2

[Article by Henrik von Bonsdorff]

[Text] The election of Gro Harlem Brundtland as prime minister of Norway after Odvar Nordli may, at least on the short view, mean an injection of new vitality both to the government and its supporting party. What chances the new prime minister will have of permanently curing the just now so heavily split and divided party is, on the other hand, still uncertain.

Gro Harlem Brundtland was carried forward to victory in the competition for the office of prime minister after Odvar Nordli on a veritable wave of popularity among the grass roots of the government party. At the end of the week the leaders both within the Labor Party and the Norwegian Trade Union Confederation seemed still to be leaning toward Minister for the Environment Rolf Hansen as a suitable compromise candidate. Later on, the new week brought offers of overwhelming support in the local branches, counties and newspaper press to the soon to be 42-year-old physician and deputy spokesman in the party. And the offers of support showed that Gro Harlem Brundtland was believed to have the best possibilities of exercising also the political medical art which will be needed if the Labor Party is to have a chance of healing its wounds and gathering new and sufficient strength for the trial of strength in the election of the fall.

It will, indeed, be this very kind of internal party policy health care which, to begin with, will be calling for the strength and attention of the new prime minister--incidentally, the first woman to become prime minister in the Nordic countries and the second one in Europe. It was not primarily the attacks from the Opposition camp--although the fights were often hard--which brought about the fall of Odvar Nordli. Of decisive importance were the severe frictions, the discords and distrust within the Labor Party, which gradually undermined his political credibility. The fact that the reports on the prime minister's impaired health became the stroke which felled the great oak may probably be described as more of a coincidence.

It is not difficult to understand that the decision to resign was a heavy one to Odvar Nordli. When, 5 years ago, he became prime minister, the Labor Party had with difficulty managed to pull itself out of the heavy depression caused by the defeat in connection with the EC voting in the early seventies. The party leadership was then divided between Reiulf Steen who, having the post of party spokesman, would be more or less responsible for the ideological tactics, while Odvar Nordli as chief of government would be the party's representative to the outside world and would give it its profile in practical politics and in relation to the conditions. At first, the prime minister succeeded indeed in creating for himself a certain national fatherly image, which actually caused the non-Socialist opposition to talk about cheating with a view to presenting the Labor Party in a completely different light in the field than it actually deserved.

However, the division of power within the party proved unfortunate. It led to internal frictions and uncertainty as to the government's real line. The party won the 1977 election by the skin of its teeth, and Odvar Nordli was able to hold on to the reins. The county elections 2 years later became a disaster, not least because the dualism at the top caused a terrible confusion among the party members. The relations with the Norwegian Trade Union Confederation--always important to the political labor movement--became strained and, somewhat more than a year ago, this resulted in a veritable confrontation. And the internal discord and commotion in connection with the negotiations and debate on the nuclear arms issue finally were reflected in a serious drop in the popularity figures of the opinion polls, which, in their own way, testified to the fact that Nordli's leadership did not come up to expectations.

The question of Nordli's resignation had, therefore, become topical already before the end of the year. The prime minister himself had hoped, however, that he would be able to settle the matter in an orderly fashion and in a way which would leave his personal image as intact as possible. The leakage about his impaired health, however, caused a blitz, the outcome of which in some way put a stain on Odvar Nordli which one would have preferred for this sympathetic politician to escape. Odvar Nordli was the man of good will, Opposition leader Jo Benkow, for his part, said. But that is just not enough right now. A politician could get a worse testimonial from his foremost opponent.

With Gro Harlem Brundtland, many ingrained patterns on the Norwegian political scene are broken. She is not only the first woman to become prime minister. She heralds a generation shift at the top. With her academic background and her meteoric career, she also deviates strongly from the traditions within her party where men with long careers behind them have been holding the reins.

But this does not prevent--on the contrary--that the new prime minister may mean an injection of new vitality into the government and the party. This is even expected by an unusually unanimous group of opposition politicians in their comments on the election. Her popular support among the party members also bears witness to the expectations in that area. The profile of the Labor Party will get a new touch-up which probably will make it more interesting. And it would not be at all surprising if the public opinion polls would gradually be showing a trend in a direction more agreeable to the party anew.

However, as far as the policy of the government is concerned, no drastic changes are expected in Norway. An 'experienced politician of the Opposition' characterizes Gro Harlem Brundtland's position within the party as follows: "As far as her foreign policy is concerned, in the center, on environmental issues somewhat to the left of the center." In Nordli's government, she supported its line loyally, both on the question of advance storage of nuclear arms and, for example, on the Alta case. This does not mean, however, that her overall view is identical, for example, with that of Nordli. Her leadership will, no doubt, have its own characteristics, but that is presumably also what the public expects from its new political 'star.'

As mentioned earlier, any drastic changes are hardly imminent. The fact that the list of cabinet appointments, such as it appeared the day before the change of power, shows very few changes, also supports this feeling. Foreign Minister Knut Frydenlund, for example, will remain in office, and that is an indication that the course of the foreign policy will not change.

However, the party spokesman, Reiulf Steen, will be leaving the Ministry of Commerce to devote himself more to party matters and to the Storting. And Reiulf Steen still holds in his hand the key to real progress in the future for Gro Harlem Brundtland as reorganizer of the Labor Party. If he adheres to the distribution of power at the party top, and dualism thus remains in existence, the prime minister will not find it easy to solve the tasks of welding together and uniting her split party. And if she fails to carry out this task, she will not be able to banish the infectious disunion from the party body, and the essential basis for her success in leading the Labor Party back to its traditional position as Norway's biggest and politically leading party will thus be gone. Already the national congress to be held in April may provide more concrete information in this respect.

Personally, and as far as her popularity is concerned, Gro Harlem Brundtland, however, will have every chance of success when she continues the women's march toward political top positions in the Nordic countries which started farther toward the west with Vigdis Finnbogadottir in Iceland. One wonders a little which of our countries will be the scene of the next break-through.

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ARNE BRUNDTLAND, FOREIGN POLICY RESEARCHER, PREMIER'S SPOUSE

Oslo AFTENPOSTEN in Norwegian 4 Feb 81 p 5

[Article by Liv Hegna]

[Text] "Have you perhaps thought of giving up your post as researcher at the Norwegian Foreign Policy Institute now that your wife has become prime minister?" Arne Olav Brundtland becomes very agitated at that question. "It is unbelievable discrimination even to hint at the possibility that a spouse ceases to exist as an individual merely because the other partner in the marriage has attained a top position in society!" he says. Brundtland considers himself a good feminist and is both happy and proud that his wife has been appointed prime minister.

At home on Theodor Lovstads vei on Bygdoy he refuses to get out of the car. AFTENPOSTEN's photographer sits ready in the car. Brundtland wants nothing to do with any photographs of the "man who looks after the house." Not even the photographer's indication that the mailbox is already full of congratulatory telegrams (it is just past lunch time) can lure Arne Olav Brundtland out. He is a professional and AFTENPOSTEN is welcome to photograph him as such. The researcher specializing in security policy may be of interest. He admits that. But he refuses to understand that he is actually a pioneer in the field of "prime ministers' husbands" in Norway. By world standards, there have also been few before him. Gro Harlem Brundtland is number five and the youngest of them all.

The appointment will also cause protocol problems. Will Arne Olav from now on be referred to in public as "Mr. Prime Minister Gro Harlem Brundtland and how will he like that? We perceive a shudder from the man beside us in the car on the way into the NUPI (Norwegian Foreign Policy Institute) office on Bygdoy alle. He would prefer to be recognized for what he is and not as his wife's husband. And we remember 7 years ago. At that time his name was on everyone's lips when defense and security policy questions were being discussed. But then Gro became environmental minister and vice-chairman of the Labor Party.

"Since then Gro has not turned on a washing machine or dishwasher. That is now my department. We have divided things up so that everyone has his own well-defined duties and is payed according to work done. This applies to all of us, including our 19, 17, 15, and 13 year old children," Arne Olaf Brundtland says. And we have confirmed this in our circle of friends. In the beginning, to be sure, his wife would sometimes "peek" at the supper. It was not being made according to her recipe. She was quickly told to "mind her own pots and pans." At home, it was the man who ruled.

Arne Olaf Brundtland does not believe that he is the "world's best replacement" for his wife. He, too, has long days at the office. On Tuesday he first makes a speech with a subsequent discussion period at the Military Academy, where AFTENPOSTEN catches up with him. After that, he receives a group of French journalists. On his desk is a real mess and he is hoping for a quiet afternoon so he can catch up after a few week's absence on a trip. It does not appear, however, that Mr. Brundtland will get his wish. The secretaries stick their heads in:

"Congratulations to your wife!" "Thank you, thank you." Laughter and joy. "Yes, of course he is proud. But of course."

"It must be a little unusual, also, that your wife has become prime minister?"

"It is very unusual to be married to an intelligent person," Arne Olaf Brundtland says--the same answer that he once gave a journalist who asked if it were difficult for him as a conservative and member of the community council on Bygdoy to be married to a woman who was raised in the Norwegian Labor Party.

"Who is fixing supper at the Brundtland home today?"

"Today is Tuesday, hmm..., I believe it is Jorgen's turn," Arne Olaf Brundtland says, leaving it up to the teenager to make up the menu, a little surprised at the social significance the family's role seems suddenly to have assumed. We "comfort" him saying that AFTENPOSTEN's visit is probably just the beginning.

[Caption] Yesterday afternoon, Arne Olaf Brundtland optimistically hoped he would have time to clean up his desk.

[Caption] Arne Olav Brundtland wants no part of "dishwashing pictures." "I am a researcher at NUPI," he stresses.

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TOM VRAALSEN NAMED FOREIGN MINISTRY POLITICAL CHIEF

Oslo AFTENPOSTEN in Norwegian 20 Dec 80 p 36

[Text] Special adviser Tom Eric Vraalsen was last Friday appointed department head and political section chief in the Foreign Ministry after Torbjørn Christiansen, who was recently appointed ambassador at Bern.

At the same time, the Norwegian permanent delegate at the Council of Europe in Strasbourg, Ambassador Kirsten Ohm, was made available to the Department for Special Tasks. She will be succeeded in Strasbourg by Consul General in Cape Town Egil Winsnes, who will now be given ambassadorial rank. Consul General Ketil Svendsgaard in Copenhagen will take over in Cape Town, Consul General Knut Myre in Los Angeles will be transferred to Copenhagen, while Embassy Counselor Bernt Stangholm in Washington will be appointed consul general in Los Angeles.

Tom Eric Vraalsen is 44 years old. He graduated from the Århus School of Economics in 1960 and started in the foreign service the following year. He served in Peking, Cairo, again in Peking, in Manila and Djakarta prior to becoming division chief in the Political Section. In 1975 he was appointed member of the Council of Ministers at the UN delegation in New York, and since 1 February 1979 he has been special adviser with the main emphasis on UN matters.

Egil Winsnes is 61 years old, got his M.A. in 1946 and started in the Foreign Ministry the same year. He served in Washington, Stockholm and at the EC delegation in Brussels prior to becoming division chief in the Trade Policy Section of the Foreign Ministry. In 1964 he became embassy counselor and in 1966 a member of the Council of Ministers in Paris, and he has been consul general in Cape Town since 1974.

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TURKISH-FRENCH RELATIONS WARM

Istanbul HURRIYET in Turkish 11 Feb 81 p 17

[Article by Gokain Sipahioglu]

[Text] Turkish-French relations, which for the past 10 years have undergone a rather "cool" period, have experienced a rebirth of "spring-time atmosphere" as a consequence of the warm attention paid to Foreign Minister Ilter Turkmen during his current two day visit.

Foreign Minister Turkmen, in an atmosphere of cordiality not experienced since the era of General de Gaulle, had luncheon yesterday with France's Minister of State Bernard Raymond and then had meetings with a delegation from the "Research Institute for New Sources of Energy" and with officials from the Renault factory.

Turkmen discussed the issue of building a nuclear power station in Turkey with members of the Research Institute for New Sources of Energy. Noting that discussions of nuclear energy will take place with France on the technical level at a future date, Turkmen observed that the clarification of Turkish-French relations which took place with this visit will strengthen various cooperative projects being undertaken. Foreign Minister Trukmen invited his French counterpart Francois Poncet to visit Turkey. During the two day discussions cooperation between Turkey and France in the energy field was decided upon. It was reported that France, through the auspices of OECD, is going to provide economic assistance and investments to Turkey.

Turkish authorities stated that they believed the visa restrictions previously imposed by France on Turkey would now be lifted as a consequence of the "warm" atmosphere generated by this visit. Authorities affirmed that France would also display "understanding" of Turkey's position on the Cyprus issue.

It was reported that Turkmen spoke with the French Chief of State Giscard d'Estaing on the preceding evening for 50 minutes and during this time discussed the questions of Afghanistan, the Iran-Iraq war, Middle East security, Turkish-Greek relations, the Cyprus disagreement and visas with him.

Later Turkmen, following a luncheon with French Foreign Minister Jean Francois Poncet, replied extemporaneously to a prepared speech which Poncet had made before the meal.

Meanwhile a person speaking broken English telephoned the American Associated Press News Agency identifying himself as spokesman for the Armenian Liberation Army and said "Turkmen's Paris visit following on the heels of West Germany Prime Minister Helmut Schmidt's visit has an imperialist significance."

The person on the telephone stated "We are going into action in France very soon to give our reply to Turkmen's visit."

Press Conference

After these contacts Turkmen arranged a press conference in order to inform the members of the press regarding his discussions. He stated that "The contacts had been very positive" and that "French officials ahve been extremely attentive." He stated that questions of "economic and technical collaboration between the two countries, visas, Armenian terrorist attacks on Turkish diplomats, the current situation in Turkey, the Iran-Iraq war and Middle East issues" had been covered in the conversations. Stating that in his talks with the French Chief of State and with the French Foreign Minister he has stressed that "Turkey will very soon return to a parliamentary system." Turkmen noted that "The French do not entertain the slightest suspicion in this count."

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COUNCIL OF EUROPE EXAMINES TURKISH MEMBERSHIP

Istanbul CUMHURIYET in Turkish 27 Feb 81 pp 1,7

[Text] Ankara (ANKA)--It was learned that positive developments have been ensured for maintaining Turkey's membership in the Council of Europe and that the problem will be solved by extending the term of office for Turkish members of the assembly.

During a trip to Turkey made by 32 parliament members of the Western Europe United Assembly, talks on this subject were conducted by the two sides.

When members of the Western Europe United Assembly made contacts in Ankara, they did so at the highest level, stating that the problem could be solved if Turkey would be "willing" to extend the terms of office of existing members in order to ensure continued Council of Europe membership.

Members of the delegation who represent the socialist faction in the assembly pointed out that maintaining Turkey's membership is a necessity and stated that, if Turkish members' terms of office are extended, the social democrat and socialist members would be satisfied and would give their approval of continued Turkish membership.

In the meantime, Sir Frederick Bennett, chairman of the Turkish-English Friendship Association in London and a member of the delegation, had a talk with Prof Suat Bilge, a National Security Council foreign politics adviser.

It was learned that, during the discussion, the question as to whether or not Turkey will participate in the Council of Europe's political commission meeting to be held in May was brought up. According to information that has been obtained, Bennett stated that, although the majority favors Turkey's continued membership, the "position" of assembly representatives from the "Nordic group" from Scandinavian countries and from England is "doubtful."

The discussion also centered around the possibility that the question of Turkey's continued membership "may be approved by a small majority," and, because of this, discussion took place as to whether or not it would be

advantageous for Turkey to forgo participation in the May meeting and to "wait and see what developments take place." Bennett "stated with sincerity" that "expression of opposing viewpoints" is unavoidable.

In contrast, several delegates from the social democrat and socialist faction who, in the light of this information, were asked their views by an ANKA [Ankara News Agency] correspondent spoke of the categorical need for Turkey to participate in the May meeting and said that, if the terms are extended "with the stipulation that present members are unchanged, a very large majority" will support Turkey's membership. They said that they are much more optimistic than Bennett is.

However, officials of the socialist group stressed that it is "very important" for Turkish political commission members to defend continued membership by taking part in the May meeting.

Several delegates from the socialist group stated that they do not share Bennett's suspicions regarding the "Nordic group."

In the meantime, it was learned that the view that Turkey should not participate at the first-day session of the May meeting, should "look at the number" of positive votes on the topic of continued membership, and then should determine its policy accordingly is gaining weight in government circles.

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LATEST MILITARY-INDUSTRIAL PROJECTS OUTLINED

Istanbul MILLYET in Turkish 4 Feb 81 p 10

[Article by Nilufer Yalcin]

[Text] Production of missiles to be used in military exercises, which is one of seven projects in the area of "Defense Industry Cooperation" under the terms of the Turkish-American defense agreement, is to be begun in the near future.

This ground to air training missile, known in America as "Smokey Sam" is very widely utilized, especially in the training of airforce pilots; almost all NATO countries employ this type of missiles.

Reportedly all machinery and equipment involved in the manufacture of these missiles have been procured from the United States and production is to begin very soon. Turkey will not be producing these missiles solely for its own needs, but also with the intention of exporting them to other NATO countries, hence the defense industry will have the capability of adding to our foreign exchange reserves. According to the agreement concluded with the United States, America is committed to purchase a significant number of these missiles for her armed forces.

Preparations connected with the other six projects are constantly being worked on and following the write-up of the technical details rapid developments are being recorded in certain areas. For example, certain data and the necessary equipment to manufacture artillery shells have been determined and some has already been obtained for use by the Machinery and Chemical Industry Association.

In other developments it is expected that research into the construction of naval vessels operating on kerosine-fired turbines at the Golcuk shipyard will be completed and the technical report submitted to appropriate authorities by early March. It is reported that an effort will be made before the end of the year to affirm this report and to procure the equipment needed to have this type of modern naval vessel manufactured at the Golcuk shipyard. Also at Golcuk feasibility studies have been completed on the modernization of the facility to improve the building of gunboats.

Progress has been recorded in the tank modernization project which calls for equipping the M-48 tanks currently in use by the Turkish armed forces with 105 mm guns and diesel engines. Of 3 separate machinery parts judged to be needed for this modernization exercise 2 have been found suitable by Turkish authorities. Studies

are continuing with the view of obtaining the third group of machines. Moreover preparations are under way to have 54 so-called "kits" of equipment and materials, which are to be used in the tank modernization, sent to Turkey.

Contacts between the two countries on the subject of defense industry cooperation resumed in October 1980 in Ankara and it was decided to reconvene the Turkish and American delegates every 6 months to discuss developments. To this end a military committee under the chairmanship of Lt General Ulugbay is slated to go to Washington in the spring.

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